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Transcript Exhibit(s)

Docket #(s): WS-02156A-14-0401

Arizona Corporation Commission

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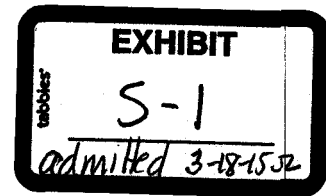
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Exhibit #: S1; A1-A5

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TO: Docket Control

2015 FEB -9 A 8: 25

FROM: Steve M. Olea  
Director  
Utilities Division

AZ CORP COMMISSION  
DOCKET CONTROL

Date: February 9, 2015

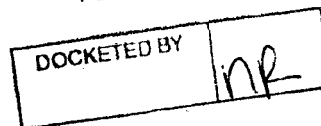
RE: STAFF REPORT IN THE MATTER OF THE APPLICATION OF RIO VERDE UTILITIES, INC., TO EXTEND ITS CERTIFICATE OF CONVENIENCE AND NECESSITY FOR WATER SERVICE TO SERVE PORTIONS OF RIO VERDE UNITS TEN AND ELEVEN (DOCKET NO. WS-02156A-14-0401)

Attached is the Staff Report for Rio Verde Utilities, Inc.'s application to extend its Certificate of Convenience and Necessity to provide water service in portions of Maricopa County, Arizona. Staff is recommending approval with conditions.

SMO:GWB:vsc\ML

Originator: Gerald Becker

Arizona Corporation Commission  
DOCKETED  
FEB - 9 2015



Service List for: Rio Verde Utilities, Inc.  
Docket No. WS-02156A-14-0401

Rio Verde Utilities, Inc.  
25609 N. Danny Lane, Suite 1  
Rio Verde, Arizona 85263

Mr. Craig A. Marks  
Craig A. Marks, PLC  
10645 N. Tatum Blvd., Suite 200-676  
Phoenix, AZ 85028

Ms. Janice Alward  
Chief, Legal Division  
Arizona Corporation Commission  
1200 West Washington Street  
Phoenix, Arizona 85007

Mr. Steve M. Olea  
Director, Company Division  
Arizona Corporation Commission  
1200 West Washington Street  
Phoenix, Arizona 85007

Ms. Lyn Farmer  
Chief, Hearing Division  
Arizona Corporation Commission  
1200 West Washington Street  
Phoenix, Arizona 85007

STAFF REPORT  
UTILITIES DIVISION  
ARIZONA CORPORATION COMMISSION

RIO VERDE UTILITIES, INC.  
WS-02156A-14-0401

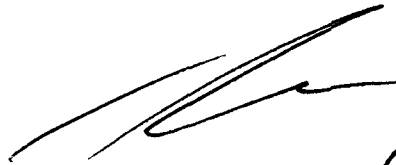
APPLICATION TO EXTEND ITS  
CERTIFICATE OF CONVENIENCE AND NECESSITY  
FOR WATER SERVICE TO SERVE PORTIONS  
OF RIO VERDE UNITS TEN AND ELEVEN

FEBRUARY 9, 2015





## STAFF ACKNOWLEDGMENT

The Staff Report for Rio Verde Utilities, Inc. (Docket No. WS-02156A-14-0401) was the responsibility of the Staff members signed below. Gerald Becker was responsible for the review and analysis of the Company's application. Jian Liu was responsible for the engineering and technical analysis.



Gerald Becker  
Executive Consultant III



Jian Liu  
Utilities Engineer

**EXECUTIVE SUMMARY  
RIO VERDE UTILITIES, INC.  
DOCKET NO. WS-02156A-14-0401**

On December 4, 2014, Rio Verde Utilities, Inc. ("Rio Verde" or "Company") filed an application with the Arizona Corporation Commission ("ACC" or "Commission") to extend its Certificate of Convenience and Necessity ("CC&N") for water service, in portions of Maricopa County, Arizona. On December 9, 2014, Rio Verde filed a supplement to its application. On January 5, 2015, the Utilities Division ("Staff") of the Commission filed a Sufficiency Letter indicating that the application along with its amendment had met the sufficiency requirements of the Arizona Administrative Code ("A.A.C.").

Rio Verde is an Arizona Corporation, in good standing with the Commission's Corporations Division. The Company was authorized to provide water service in portions of Maricopa County, Arizona, by Decision No. 43509, issued on July 27, 1973, and Decision No. 51873 issued on February 19, 1981. The Company's CC&N was extended by Decision No. 58865 issued November 30, 1994, and Decision No. 60929 dated May 26, 1998.

By this application, Rio Verde states that a portion of Rio Verde Unit Ten and Eleven was never included in its water CC&N and requests extension of the CC&N to correct this recently discovered deficiency. Rio Verde states it is currently providing service to customers in the extension area since the late 1980's and early 1990's.

Staff concludes that Rio Verde has adequate production and storage capacity to serve the present customer base and reasonable growth.

Staff believes that extending Rio Verde's CC&N would be in the public interest. The Company has for years been serving the affected customers along with other customers, with its existing plant.

Staff recommends the Commission approve Rio Verde's application to extend its CC&N to include certain portions of Section 7, in Township 4 North, Range 7 east of the Gila and Salt River Base and Meridian as set forth in Attachment B within portions of Maricopa County, Arizona, subject to compliance with the following conditions:

1. Rio Verde must continue to charge its authorized rates and charges within its CC&N.
2. Rio Verde must file with Docket Control, a copy of the county franchise agreement for the extension area as a compliance item in this docket no later than December 31, 2015.
3. Rio Verde must not serve any customers that are not within or contiguous to its CC&N in the future.
4. Rio Verde should comply with A.A.C. R14-2-402(E) for serving contiguous lots.

5. Rio Verde shall provide notice to all affected customers, and those customers shall have an opportunity to be heard.
6. Any CC&N extension approved in this proceeding be conditioned upon the Company filing an updated ADWR Compliance Status Report by December 31, 2015 indicating that the Company is in compliance with ADWR requirements.

Staff further recommends that the Commission's Decision granting the requested CC&N extension be considered null and void, after due process, should the Company fail to comply with any of these conditions.

## TABLE OF CONTENTS

### Page

INTRODUCTION.....	1
BACKGROUND.....	1
PROPOSED EXTENSION OF ITS CC&N.....	1
WATER SYSTEM .....	1
ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY COMPLIANCE.....	1
ARIZONA DEPARTMENT OF WATER RESOURCES ("ADWR") COMPLIANCE.....	2
ACC COMPLIANCE .....	2
CURTAILMENT PLAN TARIFF.....	2
CROSS CONNECTION TARIFF.....	2
PROPOSED RATES.....	2
FRANCHISE.....	2
STAFF'S POSITION ON THE CC&N .....	3
RECOMMENDATIONS .....	3

### ATTACHMENT(S)

ENGINEERING REPORT.....	A
ENGINEERING MAP .....	B

## INTRODUCTION

On December 4, 2014, Rio Verde Utilities, Inc. ("Rio Verde" or "Company") filed an application with the Arizona Corporation Commission ("ACC" or "Commission") to extend its Certificate of Convenience and Necessity ("CC&N") for water service, in portions of Maricopa County, Arizona. On December 9, 2014, Rio Verde filed a supplement to its application. On January 5, 2015, the Utilities Division ("Staff") of the Commission filed a Sufficiency Letter indicating that the application along with its amendment had met the sufficiency requirements of the Arizona Administrative Code ("A.A.C.").

## BACKGROUND

Rio Verde is an Arizona Corporation, in good standing with the Commission's Corporations Division. The Company was authorized to provide water service in portions of Maricopa County, Arizona, by Decision No. 43509, issued on July 27, 1973, and Decision No. 51873 issued on February 19, 1981. The Company's CC&N was extended by Decision No. 58865 issued November 30, 1994, and Decision No. 60929 dated May 26, 1998.

The Company's annual report indicates that there are approximately 1,700 customers receiving service including the 52 that would be officially added to the CC&N if this application is approved.

## PROPOSED EXTENSION OF ITS CC&N 48.72

X Rio Verde seeks to extend its CC&N to include customers that are already being served in an already subdivided area of approximately 42.78 acres that is adjacent to its existing CC&N. The Company states that in 2014, it discovered that the customers in this area were not included in its CC&N.

## WATER SYSTEM

Rio Verde has been providing water utility service to the property owners within the CC&N extension area for years and only recently determined that the proposed extension area had been excluded from its water CC&N service area. Accordingly, Rio Verde does not need any additional plant facilities to provide service and intends to continue charging its existing rates and charges in the CC&N extension area pursuant to its filed tariffs.

Staff concludes that Rio Verde's water systems have adequate production and storage capacity to serve the present customer base and reasonable growth.

## ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY COMPLIANCE

Maricopa County Environmental Services Department ("MCESD") reported that the Rio Verde drinking water system is currently delivering water that meets water quality standards required

by 40 C.F.R. 141 (National Primary Drinking Water Regulations) and Arizona Administrative Code, Title 18, Chapter 4. (MCESD compliance status report dated December 3, 2014).

### **ARIZONA DEPARTMENT OF WATER RESOURCES ("ADWR") COMPLIANCE**

Rio Verde is located in the Phoenix Active Management Area ("AMA") and is subject to ADWR AMA reporting and conservation requirements. ADWR reported that the Rio Verde drinking water system is not in compliance with departmental requirements governing water providers and/or community water systems. (ADWR compliance status report dated January 26, 2015).

Staff recommends that any CC&N extension approved in this proceeding be conditioned upon the Company filing an updated ADWR Compliance Status Report indicating that the Company is in compliance with ADWR requirements.

### **ACC COMPLIANCE**

A check of the Utilities Division compliance database indicated that there were no delinquent compliance items for Rio Verde.

### **CURTAILMENT PLAN TARIFF**

The Company has an approved curtailment tariff on file with the Commission.

### **CROSS CONNECTION TARIFF**

The Company has an approved cross connection tariff on file with the Commission. In Docket No. WS-02156A-15-0003, the Company has filed for approval of a revised Cross-Connection Control and Backflow Prevention Tariff.

### **PROPOSED RATES**

The Company provides water and wastewater utility service to the affected area under its authorized rates and charges, which became effective ~~March 1, 1994~~, in Decision No. 58525. A review of the unaudited annual reports filed by the Company indicates that the Company appears to be a profitable and viable entity.

### **FRANCHISE**

Every applicant for a CC&N and/or CC&N extension is required to submit to the Commission evidence showing that the applicant has received the required consent, franchise or permit from the proper authority, authorizing the use of public roads or lands to construct, install, operate and maintain a water and/or wastewater system. If the applicant operates in an unincorporated area, the company must obtain the franchise from the County. If the applicant

May 1, 2001

63585

operates in an incorporated area of the County, the applicant must obtain the franchise from the City/Town.

Rio Verde does not have a Maricopa County franchise agreement which includes the proposed extension area. Staff recommends that the Company be required to file with Docket Control, a copy of the county franchise agreement for the extension area as a compliance item in this docket no later than December 31, 2015.

#### **STAFF'S POSITION ON THE CC&N**

The ACC is required by the Arizona Revised Statutes ("A.R.S.") § 40-281 et seq. to investigate all applicants for a CC&N and to issue a CC&N only upon a showing that the issuance to a particular applicant would serve the public interest. In determining whether or not the issuance of a CC&N to a particular applicant is in the public interest, Staff considers whether the applicant is a fit and proper entity to own and operate a water and/or wastewater utility.

The Company provided Staff with maps of the Rio Verde service area and the proposed extension area. As previously discussed in this report, Staff concludes that Rio Verde has adequate production and storage capacity to serve the present customer base and reasonable growth.

The Company has not provided notice to the customers who are being added as part of the CC&N extension. Staff has notified the Company of this requirement, and the Company has yet to comply. Any authorization granted in this proceeding should be conditioned upon the Company providing adequate notice to the affected customers.

Based on the information provided in this docket and from Staff's review of other available materials regarding the Company, Staff concludes that:

- The Company has experience in operating a water facility,
- The Company is out of compliance with ADWR,
- There is no evidence of negative determinations by MCESD Compliance and/or questionable business practices, and
- The Company has adequate financial capability to continue providing water service to its existing customers.

Staff believes that the ultimate obligation of the Commission is to protect the public interest; to that end Staff believes reasonable conditions to ensure the Company is conducting its business operation in a manner which will not compromise the interests of its customers should be required.

#### **RECOMMENDATIONS**

Staff recommends the Commission approve Rio Verde's application to extend its CC&N to include certain portions of Section 7, in Township 4 North, Range 7 east of the Gila and Salt River Base and Meridian as set forth in Attachment B within portions of Maricopa County, Arizona, subject to compliance with the following conditions:

1. Rio Verde must continue to charge its authorized rates and charges within its CC&N.
2. Rio Verde must file with Docket Control, a copy of the county franchise agreement for the extension area as a compliance item in this docket no later than December 31, 2015.
3. Rio Verde must not serve any customers that are not within or contiguous to its CC&N in the future.
4. Rio Verde should comply with A.A.C. R14-2-402(E) for serving contiguous lots.
5. Rio Verde shall provide notice to all affected customers, and those customers shall have an opportunity to be heard.
6. Any CC&N extension approved in this proceeding be conditioned upon the Company filing an updated ADWR Compliance Status Report by December 31, 2015 indicating that the Company is in compliance with ADWR requirements.

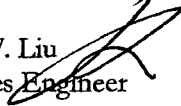
Staff further recommends that the Commission's Decision granting the requested CC&N extension be considered null and void, after due process, should the Company fail to comply with any of these conditions.



**MEMORANDUM**

DATE: January 26, 2015

TO: Gerald Becker  
Executive Consultant III

FROM: Jian W. Liu   
Utilities Engineer

RE: Rio Verde Utilities, Inc.  
Docket No. WS-02156A-14-0401 (Extension of Territory for water service)

---

**Introduction and Background**

On December 4, 2014, Rio Verde Utilities, Inc. ("Rio Verde" or "Company") filed with the Arizona Corporation Commission ("ACC" or "Commission") an application for approval to extend its Certificate of Convenience and Necessity ("CC&N") to provide water utility service by adding approximately 48.72 acres in an area adjacent to Rio Verde's current CC&N service area. The Rio Verde service area is located approximately 5 miles north of Fountain Hills and 5.5 miles east of Scottsdale in Maricopa County.

The CC&N extension area, the portion of the Rio Verde Units Ten and Eleven, includes approximately 52 residential lots and is located entirely within the northern portion of Section 7, Township 4 North, Range 7 East of the Gila and Salt River Base and Meridian, Maricopa County.

Rio Verde has been providing water utility service to the property owners within the CC&N extension area for years and only recently determined that the proposed extension area had been excluded from its water CC&N service area. Rio Verde does not need any additional plant facilities to provide service and intends to continue charging its existing rates and charges in the CC&N extension area pursuant to its filed tariffs.

**Description of Existing Water System**

The plant facilities consist of nine active wells with total pumping capacity of 6,510 gallons per minute ("GPM"), two storage tanks with total storage capacity of 1,040,000 gallons, hydro-pneumatic pressure systems and distribution system serving 1,706 active connections at the end of 2013.

### *System Analysis*

Staff concludes that the Rio Verde water system has adequate production capacity and storage capacity to serve existing customers (including the proposed extension area) and reasonable growth.

### **Maricopa County Environmental Services Department ("MCESD") Compliance**

MCESD reported that the Rio Verde drinking water system is currently delivering water that meets water quality standards required by 40 C.F.R. 141 (National Primary Drinking Water Regulations) and Arizona Administrative Code, Title 18, Chapter 4. (MCESD compliance status report dated December 3, 2014).

### **Arizona Department of Water Resources ("ADWR") Compliance**

Rio Verde is located in the Phoenix Active Management Area ("AMA") and is subject to ADWR AMA reporting and conservation requirements. ADWR reported that the Rio Verde drinking water system is not in compliance with departmental requirements governing water providers and/or community water systems. (ADWR compliance status report dated January 26, 2015).

Staff recommends that any CC&N extension approved in this proceeding be conditioned upon the Company filing an updated ADWR Compliance Status Report by December 31, 2015 indicating that the Company is in compliance with ADWR requirements.

### **ACC Compliance**

A check with the ACC Utilities Division Compliance Section showed no delinquent compliance items for the Company. (ACC Compliance Section Email dated January 23, 2015).

### **Conclusions**

1. MCESD reported that the Rio Verde drinking water system is currently delivering water that meets water quality standards required by 40 C.F.R. 141 (National Primary Drinking Water Regulations) and Arizona Administrative Code, Title 18, Chapter 4. (MCESD compliance status report dated December 3, 2014).
2. ADWR reported that the Rio Verde drinking water system is not in compliance with departmental requirements governing water providers and/or community water systems. (ADWR compliance status report dated January 26, 2015).
3. A check with the ACC Utilities Division Compliance Section showed no delinquent compliance items for the Company. (ACC Compliance Section Email dated January 23, 2015).


4. Staff concludes that the Rio Verde has adequate production capacity and storage capacity to serve the existing customer base (including the proposed extension area) and reasonable growth.


**Recommendation**

1. Staff recommends that any CC&N extension approved in this proceeding be conditioned upon the Company filing an updated ADWR Compliance Status Report by December 31, 2015 indicating that the Company is in compliance with ADWR requirements.

MEMORANDUM

TO: Gerald Becker  
Executive Consultant III  
Utilities Division

FROM: Lori H. Miller   
GIS Specialist  
Utilities Division

THRU: Del Smith   
Engineering Supervisor  
Utilities Division

DATE: December 18, 2014

RE: RIO VERDE UTILITIES, INC.

The area requested by Rio Verde Utilities, Inc. for an extension has been plotted with no complications using the legal description provided with the application (a copy of which is attached).

Also attached is a copy of the map for your files.

/lhm

Attachments

cc: Mr. Craig A. Marks  
Mr. Jian Liu  
Ms. Deb Person (Hand Carried)  
File

# MARICOPA COUNTY

Map No. 31

## RANGE 7 East

	05	04	03	02	01
07	08	09	10	11	12
18	17	16	15	14	13
19	20	21	22	23	24
30	29	28	27	26	25
31	32	33	34	35	36

## TOWNSHIP 4 North



WS-02156A (3)

Rio Verde Utilities, Inc.



(1)

Rio Verde Utilities, Inc.  
Docket No. WS-02156A-14-0401  
(Application for CC&N Extension)



Prepared by:  
Arizona Corporation Commission  
Utilities Division  
Engineering Section/GIS Mapping  
602-542-4251

Pursuant to ARS § 39-121.03 this map is 'Not for Commercial Use'

TR4N7E 28 JUL 1987

**Legal Description  
Rio Verde Utilities, Inc.  
Water CC&N Extension**

That portion of Section 7, Township 4 North, Range 7 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona more particularly described as follows:

General Land Office Lots 2 and 3, except any portion lying south of the north right-of-way line of McDowell Mountain Road, being more particularly described as follows:

Commencing at the Northwest Corner of said Section 7;

THENCE South  $89^{\circ}55'51''$  East along the North line of said Section 7 a distance of 1,313.85 feet to the Northwest Corner of said Lot 3 and the TRUE POINT OF BEGINNING;

THENCE continuing South  $89^{\circ}55'51''$  East along the North line of said Section 7 a distance of 1,320.19 feet to the Northeast Corner of said Lot 3 which is also the Northwest Corner of said Lot 2;

THENCE continuing South  $89^{\circ}55'51''$  East along the North line of said Section 7 a distance of 1,320.00 feet to the Northeast Corner of said Lot 2;

THENCE South  $00^{\circ}00'21''$  East along the East line of said Lot 2 a distance of 503.72 feet to a point on the northerly right-of-way line of McDowell Mountain Road;

THENCE South  $80^{\circ}15'23''$  West along the northerly right-of-way line of McDowell Mountain Road a distance of 459.36 feet;

THENCE South  $80^{\circ}27'24''$  West along the northerly right-of-way line of McDowell Mountain Road a distance of 1,390.58 feet;

THENCE South  $80^{\circ}28'45''$  West along the northerly right-of-way line of McDowell Mountain Road a distance of 827.22 feet to a point on the West line of said Lot 3;

THENCE North  $00^{\circ}01'13''$  East along the West line of said Lot 3 a distance of 951.76 feet to the Northwest Corner of said Lot 3, the Point of Beginning.

## BEFORE THE ARIZONA CORPORATION COMMISSION

## COMMISSIONERS

BOB STUMP, Chairman  
GARY PIERCE  
BRENDA BURNS  
ROBERT BURNS  
SUSAN BITTER SMITH

IN THE MATTER OF THE APPLICATION OF  
RIO VERDE UTILITIES, INC., TO EXTEND ITS  
CERTIFICATE OF CONVENIENCE AND  
NECESSITY FOR WATER SERVICE TO SERVE  
[REDACTED] PORTIONS OF  
RIO VERDE UNITS TEN AND ELEVEN.

DOCKET NO. WS-02156A-14-

## APPLICATION

Under Ariz. Rev. Stat. § 40-281 and A.A.C. R14-2-402, Rio Verde Utilities, Inc., ("Rio Verde"), submits this application to the Arizona Corporation Commission for an extension of its water Certificate of Convenience and Necessity ("CC&N") in Maricopa County, so as to include in its certificated area that portion of Rio Verde Units Ten and Eleven that are within Section 7, Township 4 North, Range 7 East.

Rio Verde Units Ten and Eleven are partially within Rio Verde's CC&N, with the remainder of the subdivisions being contiguous to the CC&N. These subdivisions were developed in the late '80s and early '90s. Earlier this year, Rio Verde discovered that the portion of the Rio Verde Unit Ten and Eleven were never included in Rio Verde's CC&N.

The portion of Rio Verde Unit Ten and Unit Eleven within Section 7 consists of all or a portion of 52 residential lots, several landscaping tracts, private streets and portions of the Rio Verde Country Club golf course. All of these properties are currently Rio Verde water customers, served pursuant to Rio Verde's filed tariffs. No additional construction or investment is needed to specifically serve these customers.

Because this application is being made merely to correct Rio Verde's CC&N boundaries to include currently served customers, Rio Verde believes that not all information specified in the Commission's CC&N Rules (R14-2-402, et. seq.) and the Form Application (January 22,

2010) are needed to process this application. Rio Verde has included all the information that it believes is necessary to process this application in the attached Exhibit. To the extent necessary, Rio Verde asks the Commission to waive any unnecessary rules.

**REQUEST FOR APPROVAL**

As set forth in this application, Rio Verde requests authority to extend its existing water certificate of convenience and necessity to include the area described on Attachment L of the attached Exhibit.

**Respectfully submitted** on December 4, 2014, by:

/s/Craig A. Marks  
Craig A. Marks  
Craig A. Marks, PLC  
10645 N. Tatum Blvd.  
Suite 200-676  
Phoenix, AZ 85028  
(480) 367-1956  
Craig.Marks@azbar.org  
Attorney for Far West Water & Sewer Company

**Original** and 13 copies **filed**  
on December 4, 2014, with:

Docket Control  
Arizona Corporation Commission  
1200 West Washington  
Phoenix, Arizona 85007



# **EXHIBIT**

## **Supplemental Information Supporting Application for an Extension of Certificate of Convenience and Necessity**

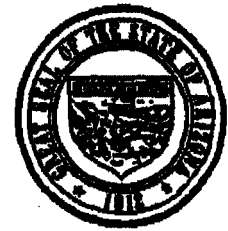
## ARIZONA DEPARTMENT OF WATER RESOURCES

15 South 15th Avenue, Phoenix, Arizona 85007  
Telephone (602) 542-1553  
Fax (602) 256-0508

October 27, 1992

**EXHIBIT C**

- 7 2002



**FIFE SYMINGTON**  
Governor

**ELIZABETH ANN RIEKE**  
Director

Mr. David S. Ritchie  
Rio Verde Utilities  
25609 Danny Lane  
Rio Verde, AZ 85263

**Re: Water Availability for Rio Verde Utilities**

Dear Mr. Ritchie:

Rio Verde Water Company is a private utility which was designated by the Department of Water Resources (DWR) in November of 1981 as a service area where an assured water supply exists under A.R.S. §45-576.D. With respect to a private water company the service area means the area actually being served water plus additions to such area which contain an operating distribution system owned by the private water company for delivery of non-irrigation water. (A.R.S. §45-402.26.b).

The Department has reviewed the development plan submitted by Rio Verde Utilities of August 26, 1992 which includes 4800 dwelling units/lots and seven golf courses. As of 1991 Rio Verde Water Company serviced 794 dwelling units and two golf courses which amount to a total of demand of 1184.53 ac-ft/yr, as reported to the Phoenix Active Management Area (PHX-AMA).

Rio Verde's estimated build-out demand of 5336 ac-ft/yr may increase to 5861 ac-ft/yr when applying the Second Management Plan (SMP) water calculation criteria for turf facilities located in the PHX-AMA. Groundwater may amount to 4200 ac-ft/yr of the total demand of 5861 ac-ft/yr.

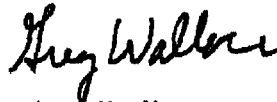
Presently, the assured water supply criteria allow mining of groundwater to a depth of 1200 feet below land surface or depth of the aquifer, whichever is less, as long as the rate of groundwater decline does not exceed 10 feet per year. Such criteria will have to be changed as the Phoenix AMA is supposed to achieve safe yield on or before 2025. The Department agrees that 4200 ac-ft/yr of groundwater will be available to the Rio Verde development under present criteria, as long as, by blending groundwater with Verde River water, Rio Verde Utilities will comply with Pri-MCL for Fluoride of 4.0 mg/l, as defined by the ADEQ's drinking water standards. 812 ac-ft/yr of CAP water will become available to the Rio Verde Water Company after the contract with the CAWCD is signed and validated. Effluent will gradually become available as the population increases and the treatment plant expands to the required capacity, eventually reaching a capacity of 1060 ac-ft/yr at build-out.

Mr. David S. Ritchie  
October 27, 1992  
Page 2

When, in accordance with criteria in place at the time of application, the above listed sources of water supply are physically and legally available and the projected use of water is consistent with the management plan and goals of the Phoenix AMA, subdividers may apply for Certificates of Assured Water Supply for subdivisions seeking approval of final plats or Rio Verde Water Company may apply for an extension of the designated service area in an area where an operating distribution system exists.

If you have any questions, please contact myself or Steven Szyprowski at (602) 542-1586.

Sincerely,



Greg Wallace  
Chief Hydrologist

GW/JS:jw

cc: James W. Johnson, Fennemore Craig  
Mark Frank, Director, Phoenix AMA



**Maricopa County**  
Environmental Services Department

**PUBLIC WATER SYSTEM COMPLIANCE STATUS REPORT**

**System Name:** Rio Verde Utilities  
**PWS ID#:** 07-121

Type of System: Community Number of POE's: 1 Surface Water: No  
Number of Service Connections: 1,680 Population Served: 3,024

Assigned Monitoring Dates - Initial: 01/01/1993

Does the water system have a Certified Operator? Yes

Does the system have major treatment plant deficiencies? No  
Please describe: \_\_\_\_\_

Date of last inspection: 05/30/2013

Does the system have major O & M deficiencies? No  
Please describe: \_\_\_\_\_

Does the system have water quality monitoring/reporting deficiencies? No  
Please describe: \_\_\_\_\_

General Public Water System Compliance Status? Compliance

Date of compliance review: 12/03/2014 By: Amanda Hart  
Phone: (602) 506-5173

Initials: AA

Requested By: Ray Jones, ARICOR Water Solutions LC  
Supervisor Initials: \_\_\_\_\_ Date: \_\_\_\_\_

Contact: ray.jones@aricor.com

**Drinking Water Program**

**Korissa Entringer, R.S., Manager**

1001 N. Central Ave., Suite 250, Phoenix, Arizona 85004-1940 Phone: (602) 506-6935 Fax: (602) 372-0866

## WATER USE DATA SHEET

NAME OF COMPANY	Rio Verde Utilities, Inc.
ADEQ Public Water System No.	07121

MONTH/YEAR (Last 13 Months)	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED	GALLONS PURCHASED
October 2014	1712	77,500	86,245	
September 2014	1712	84,139	88,583	
August 2014	1712	84,766	90,794	
July 2014	1712	121,681	130,523	
June 2014	1712	125,748	128,675	
May 2014	1712	105,955	108,069	
April 2014	1712	88,247	93,290	
March 2014	1711	48,165	50,241	
February 2014	1709	40,101	44,447	
January 2014	1708	34,637	41,982	
December 2013	1706	31,318	33,301	
November 2013	1705	44,602	47,471	
October 2013	1705	109,200	114,973	

STORAGE TANK CAPACITY (Gallons)	NUMBER OF EACH	ARIZONA DEPT. OF WATER RESOURCES WELL I.D. NUMBER	WELL PRODUCTION (Gallons per Minute)
300,000	1	55-606073	310
740,000	1	55-606071	750
		55-561190	1000
		55-506808	110
		55-510881	950
		55-511320	380
		55-519287	500
		55-561226	2000
		55-578746	510

Other Water Sources in Gallons per Minute	GPM
Fire Hydrants on System	(Yes) No
Total Water Pumped Last 13 Months (Gallons in Thousands)	1,058,594

# STATE OF ARIZONA



## Office of the CORPORATION COMMISSION

### CERTIFICATE OF GOOD STANDING

To all to whom these presents shall come, greeting:

I, Jodi A. Jerich, Executive Director of the Arizona Corporation Commission, do hereby certify that

**\*\*\*RIO VERDE UTILITIES, INC.\*\*\***

a domestic corporation organized under the laws of the State of Arizona, did incorporate on February 25, 1971.

I further certify that according to the records of the Arizona Corporation Commission, as of the date set forth hereunder, the said corporation is not administratively dissolved for failure to comply with the provisions of the Arizona Business Corporation Act; and that its most recent Annual Report, subject to the provisions of A.R.S. sections 10-122, 10-123, 10-125 & 10-1622, has been delivered to the Arizona Corporation Commission for filing; and that the said corporation has not filed Articles of Dissolution as of the date of this certificate.

This certificate relates only to the legal existence of the above named entity as of the date issued. This certificate is not to be construed as an endorsement, recommendation, or notice of approval of the entity's condition or business activities and practices.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the Arizona Corporation Commission. Done at Phoenix, the Capital, this 18th Day of November, 2014, A. D.



  
Jodi A. Jerich, Executive Director

By: \_\_\_\_\_ 1150859

**Legal Description  
Rio Verde Utilities, Inc.  
Water CC&N Extension**

That portion of Section 7, Township 4 North, Range 7 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona more particularly described as follows:

General Land Office Lots 2 and 3, except any portion lying south of the north right-of-way line of McDowell Mountain Road, being more particularly described as follows:

Commencing at the Northwest Corner of said Section 7;

THENCE South 89°55'51" East along the North line of said Section 7 a distance of 1,313.85 feet to the Northwest Corner of said Lot 3 and the TRUE POINT OF BEGINNING;

THENCE continuing South 89°55'51" East along the North line of said Section 7 a distance of 1,320.19 feet to the Northeast Corner of said Lot 3 which is also the Northwest Corner of said Lot 2;

THENCE continuing South 89°55'51" East along the North line of said Section 7 a distance of 1,320.00 feet to the Northeast Corner of said Lot 2;

THENCE South 00°00'21" East along the East line of said Lot 2 a distance of 503.72 feet to a point on the northerly right-of-way line of McDowell Mountain Road;

THENCE South 80°15'23" West along the northerly right-of-way line of McDowell Mountain Road a distance of 459.36 feet;

THENCE South 80°27'24" West along the northerly right-of-way line of McDowell Mountain Road a distance of 1,390.58 feet;

THENCE South 80°28'45" West along the northerly right-of-way line of McDowell Mountain Road a distance of 827.22 feet to a point on the West line of said Lot 3;

THENCE North 00°01'13" East along the West line of said Lot 3 a distance of 951.76 feet to the Northwest Corner of said Lot 3, the Point of Beginning.

<p><b>Rio Verde Utilities, Inc.</b> <b>Audited Financial Statements</b> <b>December 31, 2013 and 2012</b></p>
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**Table of Contents**

	<b><u>Page</u></b>
Independent Auditors' Report	1 - 2
Balance Sheets	3 - 4
Statements of Income	5
Statements of Stockholders' Equity	6
Statements of Cash Flows	7 - 8
Notes to Financial Statements	9 - 17



**INDEPENDENT AUDITORS' REPORT**

To the Board of Directors of  
Rio Verde Utilities, Inc.  
Rio Verde, Arizona

We have audited the accompanying financial statements of Rio Verde Utilities, Inc. (a corporation), which comprise the balance sheets as of December 31, 2013 and 2012, and the related statements of income, stockholders' equity and cash flows for the years then ended, and the related notes to the financial statements.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

**Auditors' Responsibility**

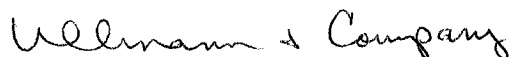
Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Rio Verde Utilities, Inc. as of December 31, 2013 and 2012, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

A handwritten signature in cursive script that reads "Ullmann & Company".

ULLMANN & COMPANY, P.C.  
Certified Public Accountants  
Phoenix, Arizona

March 6, 2014

**RIO VERDE UTILITIES, INC.**  
**BALANCE SHEETS**  
**December 31, 2013 and 2012**

**ASSETS**

	<u><b>2013</b></u>	<u><b>2012</b></u>
<b>PROPERTY, PLANT AND EQUIPMENT</b>	\$ 17,822,593	\$ 17,817,817
Accumulated Depreciation	(7,144,681)	(6,650,885)
<b>TOTAL PROPERTY, PLANT AND EQUIPMENT</b>	<u><b>\$ 10,677,912</b></u>	<u><b>\$ 11,166,932</b></u>
 <b>CURRENT ASSETS</b>		
Cash and Cash Equivalents	\$ 52,034	\$ 64,724
Accounts Receivable (\$0 Allowance for Doubtful Accounts)	127,338	116,922
Unbilled Revenue	38,365	43,236
Dividend Receivable	16,308	17,025
Income Taxes Receivable	-	60,000
Materials and Supplies Inventory	1,185	2,770
Prepaid Income Taxes	60,839	31,021
Prepaid Expenses	17,853	17,499
Deferred Tax Asset - Current	4,767	5,652
<b>TOTAL CURRENT ASSETS</b>	<u><b>\$ 318,689</b></u>	<u><b>\$ 358,849</b></u>
 <b>OTHER ASSETS</b>		
Plant Held For Future Use	\$ 1,583,867	\$ 1,583,867
Deferred Finance Fees	9,881	11,133
Restricted Cash	381,531	381,337
Investment	235,861	232,134
Deferred Tax Asset - Noncurrent	7,860	13,244
<b>TOTAL OTHER ASSETS</b>	<u><b>\$ 2,219,000</b></u>	<u><b>\$ 2,221,715</b></u>
 <b>TOTAL ASSETS</b>	<u><u><b>\$ 13,215,601</b></u></u>	<u><u><b>\$ 13,747,496</b></u></u>

The accompanying notes are an integral part of these financial statements.

**RIO VERDE UTILITIES, INC.**  
**BALANCE SHEETS**  
**December 31, 2013 and 2012**

**STOCKHOLDERS' EQUITY AND LIABILITIES**

	<u><b>2013</b></u>	<u><b>2012</b></u>
<b>STOCKHOLDERS' EQUITY</b>		
Common Stock (\$1 par value, 10,000,000 shares Authorized: 2,840,721 Shares Issued and Outstanding)	\$ 2,840,721	\$ 2,840,721
Retained Earnings	4,833,925	4,916,049
<b>TOTAL STOCKHOLDERS' EQUITY</b>	<u><b>\$ 7,674,646</b></u>	<u><b>\$ 7,756,770</b></u>
 <b>LONG-TERM DEBT (NET OF CURRENT MATURITIES)</b>	 <u><b>\$ 1,670,807</b></u>	 <u><b>\$ 2,039,010</b></u>
 <b>CURRENT LIABILITIES</b>		
Current Maturity of Long-Term Debt	\$ 368,505	\$ 336,300
Accounts Payable	53,711	89,872
Current Portion of Meter Deposits	14,000	15,000
Advances From Related Parties	108,928	24,728
Accrued Interest Payable	8,082	9,709
Other Accrued Liabilities and Expenses	54,121	44,759
Deferred Tax Liability - Current	106	1,974
<b>TOTAL CURRENT LIABILITIES</b>	<u><b>\$ 607,453</b></u>	<u><b>\$ 522,342</b></u>
 <b>DEFERRED LIABILITIES</b>		
Meter Deposits (Net of Current Portion)	\$ 21,801	\$ 33,180
Deferred Income Taxes and Investment Tax Credits	1,248,675	1,292,760
<b>TOTAL DEFERRED LIABILITIES</b>	<u><b>\$ 1,270,476</b></u>	<u><b>\$ 1,325,940</b></u>
 <b>CONTRIBUTIONS IN AID OF CONSTRUCTION</b>	 <u><b>\$ 1,992,219</b></u>	 <u><b>\$ 2,103,434</b></u>
 <b>TOTAL STOCKHOLDERS' EQUITY AND LIABILITIES</b>	 <u><u><b>\$ 13,215,601</b></u></u>	 <u><u><b>\$ 13,747,496</b></u></u>

The accompanying notes are an integral part of these financial statements.

**RIO VERDE UTILITIES, INC.**  
**STATEMENTS OF INCOME**  
For the Years Ended December 31, 2013 and 2012

	<u>2013</u>	<u>2012</u>
<b>OPERATING REVENUES</b>		
Water Revenue	\$ 1,364,986	\$ 1,394,120
Sewer Revenue	961,458	960,410
<b>TOTAL OPERATING REVENUES</b>	<u><b>\$ 2,326,444</b></u>	<u><b>\$ 2,354,530</b></u>
<b>OPERATING EXPENSES</b>		
Salaries	\$ 221,247	\$ 222,506
Employee Benefits	32,104	29,960
Payroll Taxes	31,889	31,538
Purchased Water	78,674	52,614
Purchased Power	342,829	336,315
Repairs and Maintenance	205,114	193,206
Water Testing and Treatment	81,723	85,686
Professional Fees	16,858	18,712
Transportation	28,219	26,467
General Office and Administrative	10,366	11,549
Bad Debt	1,336	1,383
Telephone	5,971	6,142
Management Fee	201,709	195,808
General Insurance	32,340	21,092
Depreciation	390,020	389,590
Other Utility Expense	64,741	36,002
Property Taxes	97,349	80,981
<b>TOTAL OPERATING EXPENSES</b>	<u><b>\$ 1,842,489</b></u>	<u><b>\$ 1,739,551</b></u>
<b>INCOME FROM OPERATIONS</b>	<u><b>\$ 483,955</b></u>	<u><b>\$ 614,979</b></u>
<b>OTHER INCOME (EXPENSES)</b>		
Interest Income	\$ 223	\$ 199
Patronage Dividend	20,142	22,700
Loss on Sale of Equipment	(14,828)	-
Amortization Finance Fees	(1,252)	(1,252)
Interest Expense	(104,499)	(123,491)
<b>TOTAL OTHER INCOME (EXPENSES)</b>	<u><b>\$ (100,214)</b></u>	<u><b>\$ (101,844)</b></u>
<b>INCOME BEFORE TAXES</b>	<u><b>\$ 383,741</b></u>	<u><b>\$ 513,135</b></u>
Current Tax Expense	\$ 55,549	\$ 27,501
Deferred Tax Expense (Benefit)	(39,684)	138,172
<b>NET INCOME</b>	<u><u><b>\$ 367,876</b></u></u>	<u><u><b>\$ 347,462</b></u></u>

The accompanying notes are an integral part of these financial statements.

**RIO VERDE UTILITIES, INC.**  
**STATEMENTS OF STOCKHOLDERS' EQUITY**  
**For the Years Ended December 31, 2013 and 2012**

	<b>COMMON STOCK</b>		
	<b>Number of</b>	<b>Amount</b>	<b>Retained</b>
	<b>Shares</b>		<b>Earnings</b>
Balance at December 31, 2011	2,840,721	\$ 2,840,721	\$ 4,968,587
Dividends Paid			(400,000)
Net Income			347,462
Balance at December 31, 2012	2,840,721	\$ 2,840,721	\$ 4,916,049
Dividends Paid			(450,000)
Net Income			367,876
<b>Balance at December 31, 2013</b>	<b>2,840,721</b>	<b>\$ 2,840,721</b>	<b>\$ 4,833,925</b>

The accompanying notes are an integral part of these financial statements.

**RIO VERDE UTILITIES, INC.**  
**STATEMENTS OF CASH FLOWS**  
For the Years Ended December 31, 2013 and 2012

	<u>2013</u>	<u>2012</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash Received From Customers	\$ 2,306,960	\$ 2,323,256
Cash Paid for Operations	(1,393,837)	(1,424,419)
Interest and Dividends Received	21,082	22,395
Interest Paid	(106,126)	(125,016)
Income Taxes Paid	(25,367)	(118,521)
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<u>802,712</u>	<u>677,695</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Capital Expenditures	(31,000)	(24,760)
Proceeds from Sale of Equipment	3,957	-
Investment in CoBank	(3,727)	(5,675)
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<u>(30,770)</u>	<u>(30,435)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of Long Term Debt	(335,998)	(310,188)
Proceeds From Customer Meter Deposits	1,560	2,795
Dividends Paid	(450,000)	(400,000)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<u>(784,438)</u>	<u>(707,393)</u>
<b>NET DECREASE IN CASH</b>	<u>(12,496)</u>	<u>(60,133)</u>
<b>CASH AND CASH EQUIVALENTS - BEG OF YEAR</b>	<u>446,061</u>	<u>506,194</u>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u><u>\$ 433,565</u></u>	<u><u>\$ 446,061</u></u>
<b>RECONCILIATION OF CASH AMOUNTS:</b>		
Cash and Cash Equivalents	\$ 52,034	\$ 64,724
Restricted Cash	381,531	381,337
<b>TOTAL CASH</b>	<u><u>\$ 433,565</u></u>	<u><u>\$ 446,061</u></u>

The accompanying notes are an integral part of these financial statements.

**RIO VERDE UTILITIES, INC.**  
**STATEMENTS OF CASH FLOWS**  
For the Years Ended December 31, 2013 and 2012

	<u>2013</u>	<u>2012</u>
<b>RECONCILIATION OF NET INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>		
<b>NET INCOME</b>	<b>\$ 367,876</b>	<b>\$ 347,462</b>
<b>ADJUSTMENTS</b>		
Depreciation and Amortization	\$ 391,272	\$ 390,842
Deferred Income Tax Expense	(39,684)	138,172
Meter Deposits Refunded	(13,939)	(14,699)
Loss on Sale of Equipment	14,828	-
(Increase) Decrease in:		
Accounts Receivable and Unbilled Revenue	(5,545)	(16,575)
Dividend Receivable	717	(504)
Income Taxes Receivable	60,000	(60,000)
Materials and Supplies Inventory	1,585	(2,084)
Prepaid Income Taxes	(29,818)	(31,021)
Prepaid Expenses	(354)	(4,430)
Increase (Decrease):		
Accounts Payable	(36,161)	51,645
Advances From Related Parties	84,200	(34,329)
Accrued Interest Payable	(1,627)	(1,525)
Accrued Income Taxes	-	(87,879)
Other Accrued Liabilities and Expenses	9,362	2,620
<b>TOTAL ADJUSTMENTS</b>	<b>\$ 434,836</b>	<b>\$ 330,233</b>
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>\$ 802,712</b>	<b>\$ 677,695</b>

The accompanying notes are an integral part of these financial statements.



**Rio Verde Utilities, Inc.**  
**Notes to Financial Statements**  
**December 31, 2013 and 2012**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Nature of Business**

The Company is a regulated utility providing water and sewer services in a certificated area located in Rio Verde, Arizona.

**Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

**Basis of Accounting**

The accounting records of the Company are maintained in accordance with the uniform system of accounts as prescribed by the National Association of Regulatory Utility Commissioners.

**Utility Plant**

Property, plant and equipment comprising the utility plant are recorded at cost. Periodically, the Arizona Corporation Commission reviews the basis of the plant and equipment and may establish a new cost basis for rate-making purposes. The Company has adjusted the cost basis of its assets to comply with the Arizona Corporation Commission orders. In accordance with standard accounting practices prescribed for water utilities, renewals and betterments are charged to plant accounts. Repairs and maintenance are charged to operations as incurred.

Depreciation of utility plant is computed using the straight-line method over the useful life of the assets as prescribed by the Arizona Corporation Commission.

Interest costs connected with the construction of major equipment or facilities are capitalized during the period of construction activity. No interest was capitalized in 2013 and 2012.

**Cash Equivalents**

For the purposes of the statement of cash flows, the Company considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

**Rio Verde Utilities, Inc.**  
**Notes to Financial Statements**  
**December 31, 2013 and 2012**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued**

**Restricted Cash**

As part of the Company's borrowing agreement with CoBank, the Company maintains a debt service reserve account with the bank. At December 31, 2013 and 2012, the Company had restricted cash balances of \$381,531 and \$381,337, respectively.

**Utility Customer Accounts Receivable**

Regulated utility customer accounts receivable represent amounts billed customers on a cycle basis. Credit is extended based on the guidelines of the applicable regulators and generally, collateral is not required.

**Allowance for Uncollectible Accounts**

Allowances for uncollectible accounts are maintained for estimated probable losses resulting from the Company's inability to collect receivables from customers. Accounts that are outstanding longer than the payment terms are considered past due, and the allowance for doubtful accounts is computed based on an analysis of collectability of accounts receivable at the balance sheet date. For 2013 and 2012, no allowance is deemed necessary.

**Customer Meter Deposits**

The Company is refunding meter deposits to customers in equal installments, without interest, over a ten-year period.

**Revenue Recognition**

Revenues are recorded as services are rendered and include an estimate for amounts unbilled at the end of the year for water used subsequent to the last billing cycle. Sales taxes collected are not included in revenue.

**Contributions in Aid of Construction**

Contributions in aid of construction (CIAC) are nonrefundable contributions by developers and customers for plant expansion. In addition, this amount includes the remaining balance, if any, of advances in aid of construction at the end of the repayment period. The contributions in aid of construction are being amortized at a rate equal to the rate allowed for depreciation, as a reduction of depreciation.

**Rio Verde Utilities, Inc.  
Notes to Financial Statements  
December 31, 2013 and 2012**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued**

**Income Taxes**

Income taxes are provided for the tax effects of transactions reported in the financial statements and consist of taxes currently due plus deferred taxes related primarily to differences between the bases of certain assets and liabilities for financial and tax reporting. The deferred taxes represent the future tax return consequences of those differences, which will either be deductible or taxable when the assets and liabilities are recovered or settled.

**Accounting For Uncertainty in Income Taxes**

The Company has adopted the provisions of FASB ASC 740, Income Taxes (FASB ASC 740), related to accounting for uncertainty in income taxes on any unrelated business income. The Company files an income tax return in the U.S. federal jurisdiction and also in Arizona. Tax returns for all open years are subject to future examinations by tax authorities. The implementation of FASB ASC 740 had no effect on the Company's financial statements. Penalties of \$0 and \$0 were recognized for the years ended December 31, 2013 and 2012, respectively.

**Materials and Supplies Inventory**

Materials and supplies inventory is stated at lower of cost or market. For purposes of computing costs, the first-in-first-out method is used. Market value is computed using replacement cost.

**Reclassifications**

Certain reclassifications have been made to the 2012 financial information to conform to the 2013 presentation.

**NOTE 2 FINANCIAL INSTRUMENTS**

The Company's financial instruments consist of cash, trade accounts receivable, long-term debt, and accounts payable. The Company bills its customers for water usage based on the meter readings. Due to the large number of small accounts, concentration of credit risk with respect to trade accounts receivable is limited. The Company, in the normal course of business, maintains bank balances in excess of FDIC insurance limits.

**Rio Verde Utilities, Inc.**  
**Notes to Financial Statements**  
**December 31, 2013 and 2012**

**NOTE 3 INVESTMENT**

The Company has an investment in CoBank, a cooperative bank whose patrons are equity owners. The investment is valued at cost, plus equity dividends received each year, which approximates fair value, of \$235,861 and \$232,134 as of December 31, 2013 and 2012, respectively. The Company earned cash and equity dividends of \$20,000 and \$22,700 from this investment during the years ended December 31, 2013 and 2012, respectively.

**NOTE 4 UTILITY PLANT**

Major classifications of utility plant in service are summarized below:

	<u><b>2013</b></u>	<u><b>2012</b></u>
<b><u>Water Utility Plant</u></b>		
Land	\$ 186,074	\$ 176,512
Construction Work in Progress	-	-
Utility Plant	9,854,255	9,848,364
Transportation Equipment	<u>56,691</u>	<u>69,953</u>
Total Water Utility Plant	\$10,097,020	\$ 10,094,829
Less: Accumulated Depreciation	<u>(4,228,250)</u>	<u>(3,928,560)</u>
Net Water Utility Plant	<u>\$ 5,868,770</u>	<u>\$ 6,166,269</u>
 <b><u>Sewer Utility Plant</u></b>		
Land	\$ 50,513	\$ 50,513
Construction Work in Progress	87,887	87,887
Utility Plant	7,547,938	7,532,392
Transportation Equipment	<u>39,235</u>	<u>52,196</u>
Total Sewer Utility Plant	\$ 7,725,573	\$ 7,722,988
Less: Accumulated Depreciation	<u>(2,916,431)</u>	<u>(2,722,325)</u>
Net Sewer Utility Plant	<u>\$ 4,809,142</u>	<u>\$ 5,000,663</u>
Total Utility Plant	<u>\$17,822,593</u>	<u>\$ 17,817,817</u>

**Rio Verde Utilities, Inc.**  
**Notes to Financial Statements**  
**December 31, 2013 and 2012**

**NOTE 4 UTILITY PLANT – Continued**

Depreciation and amortization are charged to earnings as follows:

	<u><b>2013</b></u>	<u><b>2012</b></u>
Depreciation - Water Utility	\$ 303,754	\$ 303,357
Depreciation - Sewer Utility	197,481	197,448
Amortization of CIAC - Water Utility	(47,192)	(47,192)
Amortization of CIAC - Sewer Utility	<u>(64,023)</u>	<u>(64,023)</u>
Net Depreciation	\$ 390,020	\$ 389,590
 Amortization of Deferred Finance Fees	 <u>\$ 1,252</u>	 <u>\$ 1,252</u>
 Total Depreciation and Amortization	 <u>\$ 391,272</u>	 <u>\$ 390,842</u>

**NOTE 5 DEFERRED CHARGES**

Deferred charges at December 31 consist of:

	<u><b>2013</b></u>	<u><b>2012</b></u>
Finance Fees	\$ 48,523	\$ 48,523
Less: Accumulated Amortization	<u>(38,642)</u>	<u>(37,390)</u>
	<u>\$ 9,881</u>	<u>\$ 11,133</u>

The deferred finance fees are being amortized over a period of 15 to 20 years. Amortization expense was \$1,252 and \$1,252 for 2013 and 2012, respectively. Amortization expense is expected to be \$1,252 each year for 2014 through 2021.

**NOTE 6 LONG-TERM DEBT**

Long-term debt consists of the following:

	<u><b>2013</b></u>	<u><b>2012</b></u>
Note payable to CoBank due in monthly principal and interest installments of \$16,660, final payment due June 20, 2016, interest is at a fixed rate of 9.8% on one-half of the outstanding balance and at a variable rate on the other half. The variable rate at December 31, 2013 was 3.25%. The note is secured by assignment of the capital stock and assets of the Company. The Company is required to maintain a debt service reserve account with the lender.	\$ 467,604	\$ 628,626

**Rio Verde Utilities, Inc.**  
**Notes to Financial Statements**  
**December 31, 2013 and 2012**

**NOTE 6 LONG-TERM DEBT – Continued**

Note payable to CoBank due in monthly principal and interest installments of \$15,981, final payment due December 20, 2021, interest is variable and may be adjusted as interest rates fluctuate. The rate at December 31, 2013 was 3.25%. The note is secured by assignment of the capital stock and assets of the Company. The Company is required to maintain a debt service reserve account with the lender.

1,389,979	1,516,827
-----------	-----------

Note payable to Second Arizona Rio Verde Company, 1974 (the stockholder of the Company), with an interest rate of 9.8%, due in monthly principal and interest installments of \$5,711, final payment due December 31, 2016, subordinated to the CoBank debt.

<u>181,729</u>	<u>229,857</u>
----------------	----------------

	Total	\$ 2,039,312	\$ 2,375,310
Less Current Portion		<u>(368,505)</u>	<u>(336,300)</u>
Long-Term Portion		<u>\$ 1,670,807</u>	<u>\$ 2,039,010</u>

Current maturities of long-term debt:

As of December 31, 2013

2014		\$ 368,505
2015		386,239
2016		314,073
2017		149,153
2018		154,074
Thereafter		<u>667,268</u>
Total		<u>\$ 2,039,312</u>

**Rio Verde Utilities, Inc.**  
**Notes to Financial Statements**  
**December 31, 2013 and 2012**

**NOTE 7 INCOME TAXES**

The provision for income taxes consists of:

	<u><b>2013</b></u>	<u><b>2012</b></u>
<u>Current:</u>		
Federal	\$ 53,510	\$ 18,951
State	2,039	8,550
Total Current Tax Expense	<u>\$ 55,549</u>	<u>\$ 27,501</u>
<u>Deferred:</u>		
Federal	\$ (59,505)	\$ 128,660
State	24,558	14,401
Investment Tax Credit Amortization	(4,737)	(4,889)
Total Deferred Tax Expense (Benefit)	<u>\$ (39,684)</u>	<u>\$ 138,172</u>
Income Tax Expense	<u>\$ 15,865</u>	<u>\$ 165,673</u>

The components of the net deferred tax asset (liability) at December 31, 2013 and 2012 are as follows:

	<u><b>2013</b></u>	<u><b>2012</b></u>
<u>Deferred Tax Asset:</u>		
Current	\$ 4,767	\$ 5,652
Noncurrent	7,860	13,244
Total Deferred Tax Asset	<u>\$ 12,627</u>	<u>\$ 18,896</u>

	<u><b>2013</b></u>	<u><b>2012</b></u>
<u>Deferred Tax Liability:</u>		
Current	\$ (106)	\$ (1,974)
Noncurrent	(1,248,675)	(1,292,760)
Total Deferred Tax Liability	<u>\$ (1,248,781)</u>	<u>\$ (1,294,734)</u>
Net Deferred Tax Asset (Liability)	<u>\$ (1,236,154)</u>	<u>\$ (1,275,838)</u>

Deferred Income Taxes and Investment Tax Credits:

Deferred Income Taxes	\$ (1,235,863)	\$ (1,270,811)
Investment Tax Credits	<u>(291)</u>	<u>(5,027)</u>
	<u>\$ (1,236,154)</u>	<u>\$ (1,275,838)</u>

Deferred taxes are recognized for temporary differences between the bases of assets and liabilities for financial statement and income tax purposes. The differences relate primarily to depreciable assets which have different depreciable lives and methods for income tax purposes.

**Rio Verde Utilities, Inc.**  
**Notes to Financial Statements**  
**December 31, 2013 and 2012**

**NOTE 7 INCOME TAXES - Continued**

As required by the regulatory agency, deferred investment tax credits are recognized for financial statement purposes in the year in which they are utilized for federal income taxes and amortized over the estimated remaining life of the assets from which the investment tax credit originated. The tax credit is being amortized on a straight-line basis over 20 years through 2014.

**NOTE 8 SUPPLEMENTAL CASH FLOW INFORMATION**

The Company engaged in the following noncash transactions:

	<u>2013</u>	<u>2012</u>
Meter deposit refunds applied to amounts due from customers	<u>\$ 13,939</u>	<u>\$ 14,699</u>

**NOTE 9 RELATED PARTY TRANSACTIONS**

A related company (a brother-sister corporation) provided management, office, and administrative services in the amount of \$200,740 and \$193,896 in the years ended December 31, 2013 and 2012, respectively. The Company also owed the related party \$99,366 and \$24,728 at December 31, 2013 and 2012, respectively. The Company also owed another related party, a different brother-sister corporation, \$9,562 at December 31, 2013.

The Company has a long-term note payable to the stockholder (see Note 6). Interest paid to the stockholder was \$20,009 and \$24,521 in 2013 and 2012, respectively.

**NOTE 10 RETIREMENT PLAN**

The Company maintains a 401(k) plan covering substantially all full-time employees. The amount of the employer's yearly contribution is at the discretion of the Company. The Company contributed \$0 in 2013 and 2012.



**Rio Verde Utilities, Inc.**  
**Notes to Financial Statements**  
**December 31, 2013 and 2012**

**NOTE 11 REGULATORY RATE DECISION**

The Arizona Corporation Commission granted the Company a rate increase effective May 2001. The regulatory agency also determined that the Company had excess capacity and required the Company to remove the excess capacity from the rate base. All previously recorded depreciation and deferred income taxes relating to the excess plant capacity has also been reversed.

**NOTE 12 SUBSEQUENT EVENTS**

**Date of Management Evaluation**

Management has evaluated subsequent events through March 6, 2014, the date on which the financial statements were available to be issued. There were no subsequent events that required adjustment to the financial statements or additional disclosures.

[Rio Verde Letterhead]

December \_\_, 2014

Mr. Kenneth W. Buchanan  
Town Manager  
Town of Fountain Hills  
16705 E. Avenue of the Fountains  
Fountain Hills, AZ 85268

**Notice Required Pursuant to R14-2-402.B.4**  
**Request for Certificate of Convenience and Necessity Extension**  
**Filed by Rio Verde Utilities, Inc.**

Pursuant to A.A.C. R14-2-402.B.4, Rio Verde Utilities, Inc. ("Rio Verde") is providing this notice that Rio Verde has made application to the Arizona Corporation Commission ("ACC") to extend its Certificate of Convenience and Necessity to provide water service to properties contiguous to its existing Certificate of Convenience and Necessity. None of the requested extension area is within the Town of Fountain Hills, but is within five miles of the Town's corporate limits. The specific notice requirements are as follows:

**Applicant Name, Mailing Address and Telephone Number**

Rio Verde Utilities, Inc.  
25609 N. Danny Lane, Suite 1  
Rio Verde, AZ 85263  
480-471-7247

**Date Application was Filed**

[TBD]

**Type of Service to be Provided**

Water Service

**A Description of Requested Service Area**

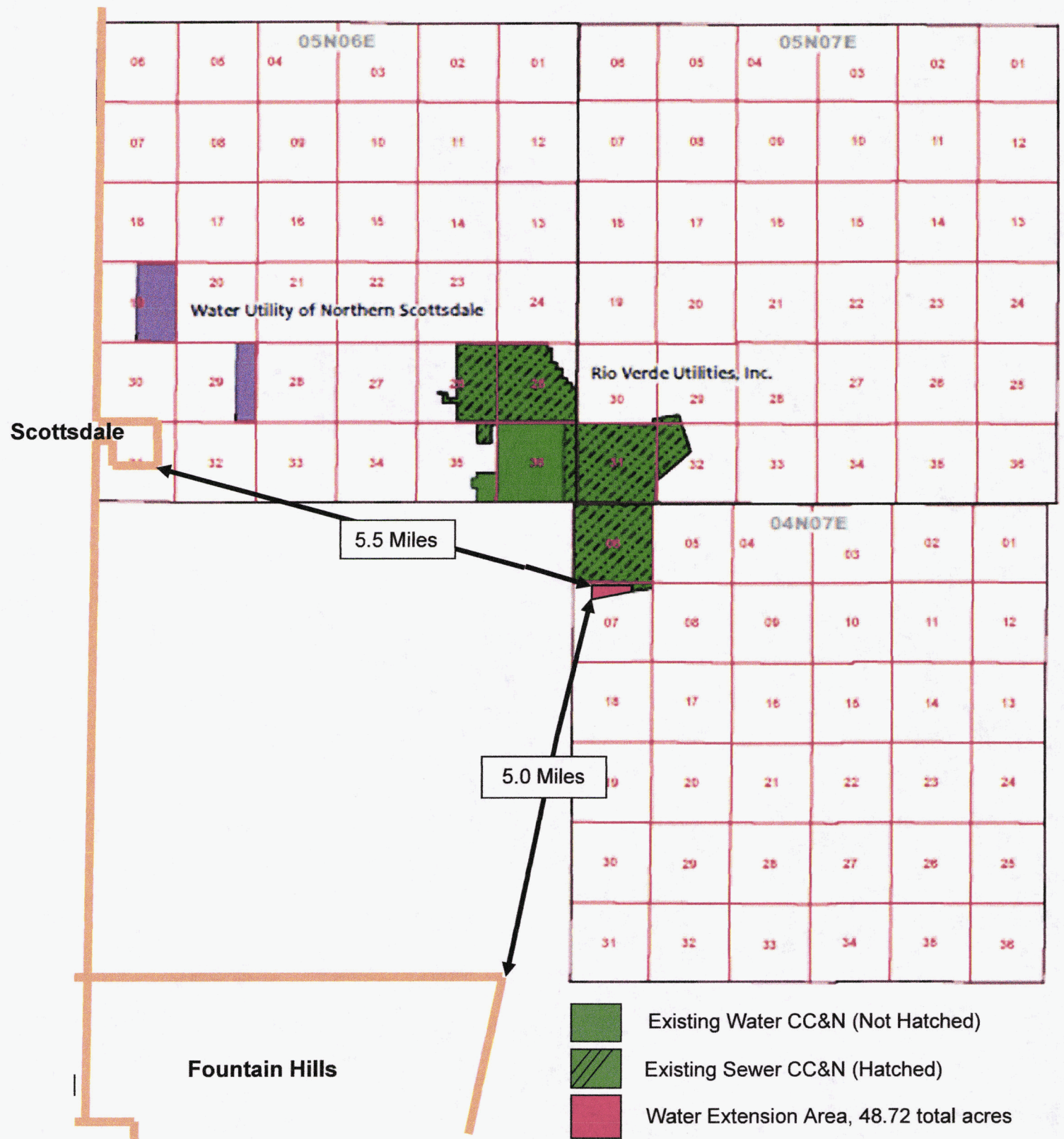
See Attachment L and Map – U1 from the Application to the ACC, attached.

**Commission Docket Number**

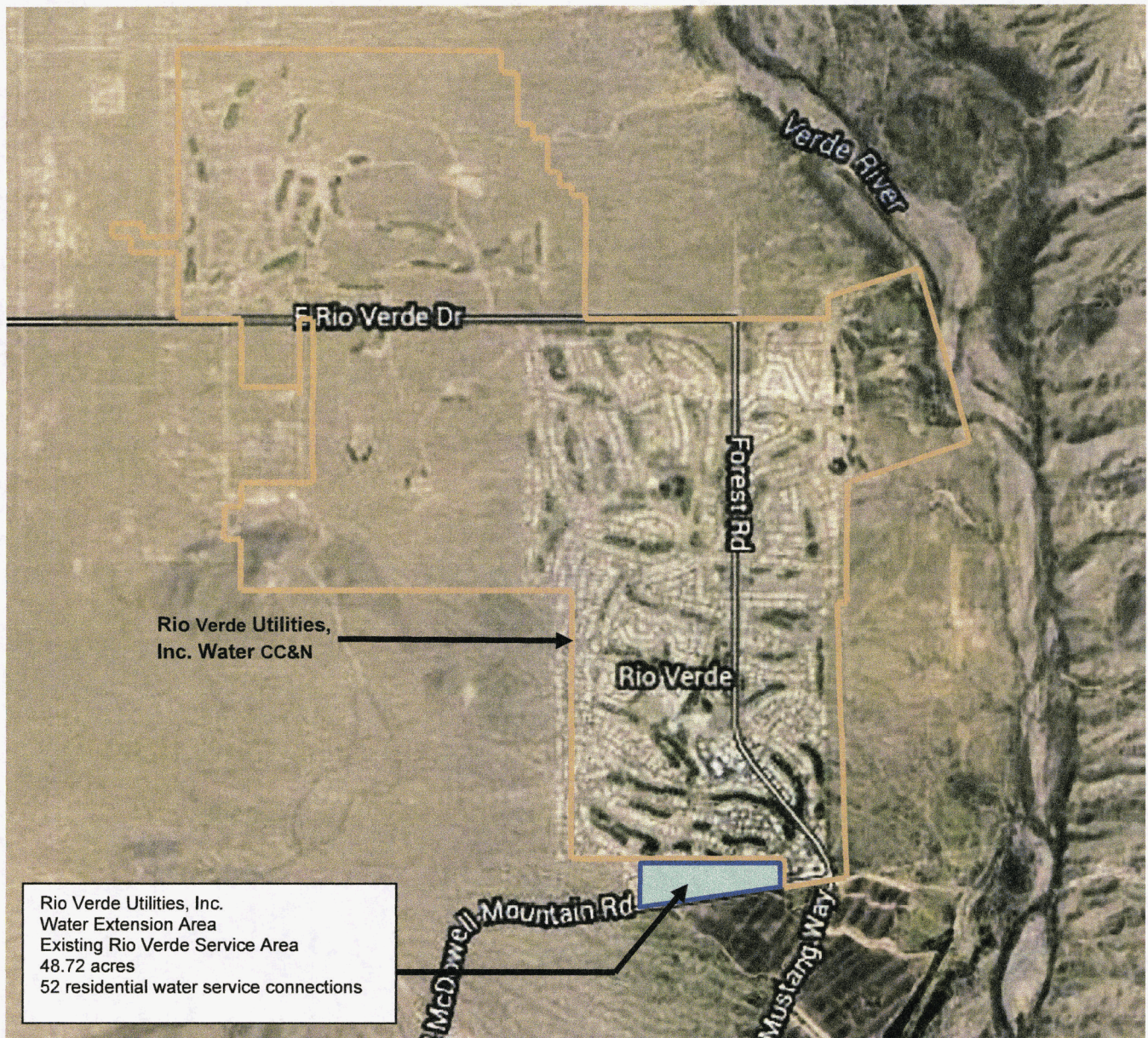
[TBD]

**Instructions on How to Obtain a Copy of Application**

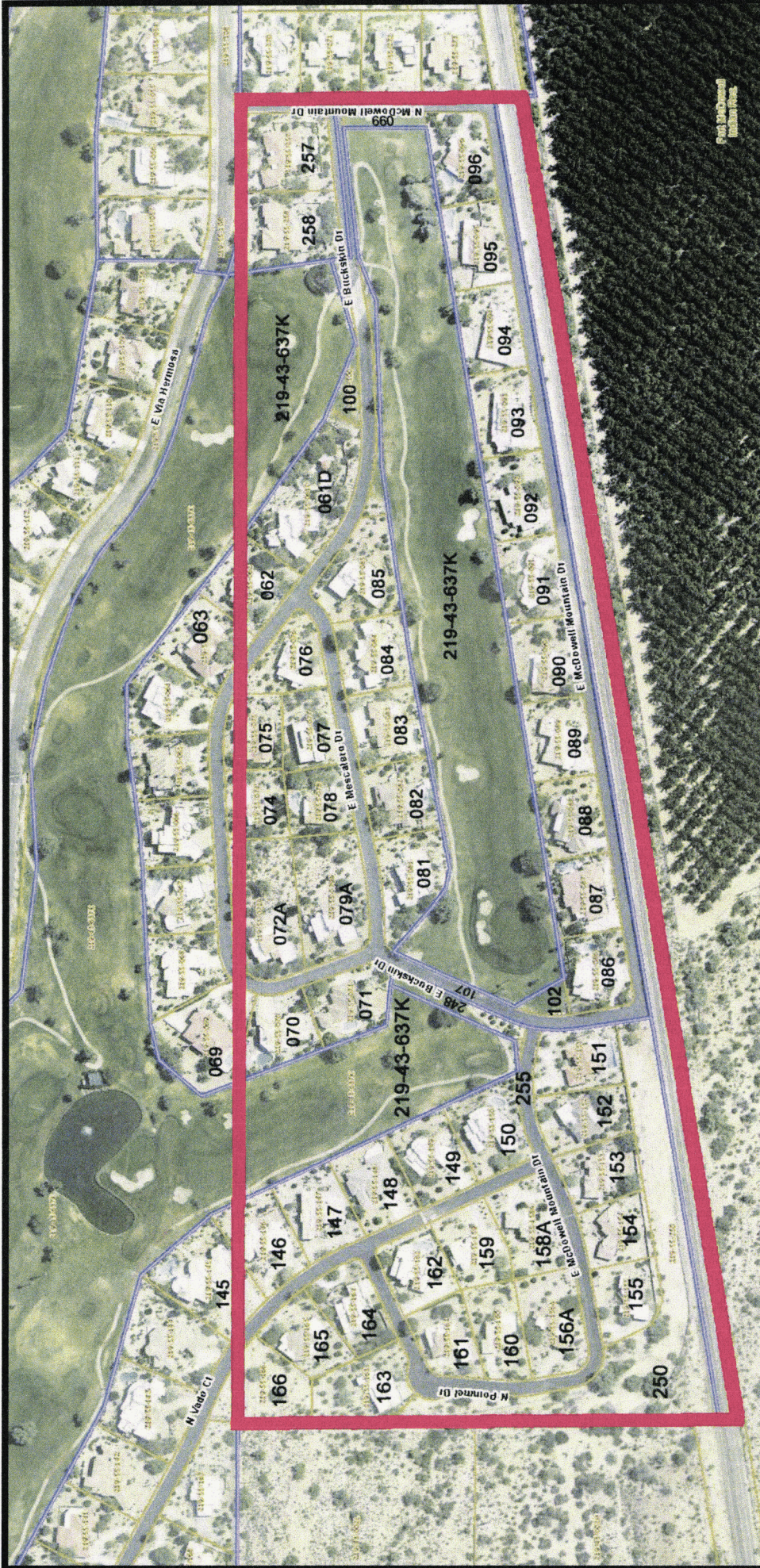
The application is available for inspection during regular business hours at the offices of the Commission in Phoenix at 1200 West Washington Street, and at Rio Verde Utilities, Inc., 25609 N. Danny Lane, Suite 1, Rio Verde, AZ 85263. In addition, upon request, Rio Verde will provide a printed copy or electronic copy to the Town of Fountain Hills.











**Parcel Acreages:**

061D	0.90 ac	062	0.49 ac	063	0.05 ac	069	0.09 ac	070	0.45 ac	071	0.48 ac	072A	0.81 ac	074	0.39 ac	075	0.38 ac	076	0.42 ac
077	0.38 ac	078	0.38 ac	079A	0.75 ac	081	0.54 ac	082	0.46 ac	083	0.46 ac	084	0.47 ac	085	0.57 ac	086	0.47 ac	087	0.46 ac
088	0.46 ac	089	0.46 ac	090	0.46 ac	091	0.46 ac	092	0.46 ac	093	0.44 ac	094	0.46 ac	095	0.43 ac	096	0.44 ac	099	0.11 ac
100	0.18 ac	102	0.10 ac	107	3.33 ac	145	0.15 ac	146	0.42 ac	147	0.48 ac	148	0.48 ac	149	0.48 ac	150	0.53 ac	151	0.48 ac
152	0.46 ac	153	0.41 ac	154	0.39 ac	155	0.41 ac	156A	0.55 ac	158A	0.51 ac	159	0.44 ac	160	0.44 ac	161	0.38 ac	162	0.42 ac
163	0.57 ac	164	0.46 ac	165	0.42 ac	166	0.45 ac	248	0.22 ac	250	2.45 ac	255	1.14 ac	257	0.64 ac	258	0.67 ac		
219-43-637K	12.22 ac																		

NOTE: Unless otherwise indicated parcel number begin with 219-55-

## CC&N EXTENSION AREA – PARCEL ACREAGES

MAP  
U3

RIO VERDE UTILITIES, INC.



Sheet 1  
11-18-14





#### Parcel Ownership:

061D Frederick/Corrine Drill  
 069 Robert Benzinger  
 072A Robert/Edith Malone  
 076 Donald/Eleanor Greenlee  
 079A Cartwright Family Trust  
 083 Eberhard/Carol Scheuing Tst.  
 086 James/Susan Everitt Trust  
 089 Dorothy Gay  
 092 Richard/Norine Ahmann Tst.  
 095 Larry/Debra Potter Trust  
 100 Rio Verde Country Club Inc.  
 145 Lawrence/Elizabeth Noble  
 148 Richard/Maxine Berg Trust  
 151 David Wilkie/Vesta Mollins  
 154 Ouelette Living Trust  
 158A Thomas/Verda Dougherty  
 161 John/Laverne Novasio  
 164 James/Anita Newgard  
 248 Rio Verde County Club  
 257 Dale/Pamela Lewis  
 219-43-637K Rio Verde Country Club

NOTE: Unless otherwise indicated parcel number begin with 219-55-

062 John/Mary Leavitt	063 David/Katherine Fridovich
070 John/Helen Swift	071 Kenny/Lois Mallory
074 Lawrence/Joanne Ingram	075 Randall/Nancy Erickson
077 Paul Hofto	078 Rosemarie Brandorff
081 Joel/Kendra Davidson	082 Gordon/Nedra Allison Trust
084 George/Margaret Slater	085 Larry/Elizabeth Doyle Trust
087 Harriet Ruder Trust	088 DLD Enterprises LLC
090 Jeannette McDonald	091 Donald Johnson Trust
093 Robert/Lois Richmond	094 Roger/Johanna Schaefer
096 Jordan Family Trust	099 Rio Verde Country Club Inc.
102 Rio Verde Country Club Inc.	107 Rio Verde Community Assn.
146 Victor/Janet Rocchio	147 Carol/Elsie Nelson
149 Dean/Catherine Eggebraten Tst.	150 Charles Knighton Trust
152 Carol Brewer Trust	153 Nick/Bettie Neckopulos Trust
155 Allan/Margaret Cumming	156A Cecil Miskel
159 Wilfred/Jacqueline Belanger	160 Marvin/Mary Founds
162 Robert/Dolores Engelstad Tst.	163 David/Chase Bakke
165 Allen/Caroline Meyer Trust	166 Elizabeth Noble Trust
250 Rio Verde Community Assn.	255 Rio Verde Community Assn.
258 David/Marlene Walters	

## CC&N EXTENSION AREA – OWNERSHIP MAP

MAP  
U3



## BEFORE THE ARIZONA CORPORATION COMMISSION

## COMMISSIONERS

BOB STUMP, Chairman  
GARY PIERCE  
BRENDA BURNS  
ROBERT BURNS  
SUSAN BITTER SMITH

IN THE MATTER OF THE APPLICATION OF  
RIO VERDE UTILITIES, INC., TO EXTEND ITS  
CERTIFICATE OF CONVENIENCE AND  
NECESSITY FOR WATER SERVICE TO SERVE  
[REDACTED] PORTIONS OF  
RIO VERDE UNITS TEN AND ELEVEN.

DOCKET NO. WS-02156A-14-0401

## SUPPLEMENT TO APPLICATION

Rio Verde Utilities, Inc., ("Rio Verde"), hereby files the attached Exhibit 1 as a supplement to its application in the above-captioned docket. The eleven pages of Exhibit 1 should be substituted for the third page of the application titled "Exhibit."

Undersigned counsel inadvertently omitted this Exhibit from the Application and apologizes for any inconvenience he may have caused.

**Respectfully submitted** on December 9, 2014, by:

/s/Craig A. Marks

Craig A. Marks  
Craig A. Marks, PLC  
10645 N. Tatum Blvd.  
Suite 200-676  
Phoenix, AZ 85028  
(480) 367-1956  
[Craig.Marks@azbar.org](mailto:Craig.Marks@azbar.org)  
Attorney for Rio Verde Utilities, Inc.

**Original and 13 copies filed**  
on December 9, 2014, with:

Docket Control  
Arizona Corporation Commission  
1200 West Washington  
Phoenix, Arizona 85007

# **EXHIBIT 1**

## **Required Information Supporting Application for an Extension of Certificate of Convenience and Necessity**



# EXHIBIT 1

## ARIZONA CORPORATION COMMISSION

### SUPPLEMENTAL INFORMATION SUPPORTING APPLICATION FOR AN EXTENSION CERTIFICATE OF CONVENIENCE AND NECESSITY

#### WATER

- A. The legal name, mailing address and telephone number of the Applicant (Company) is:

Rio Verde Utilities, Inc.  
25609 N. Danny Lane, Suite 1  
Rio Verde, AZ 85263  
480-471-7247

- B. If the applicant operates under a "d.b.a." or under a name other than the Applicant (Company) name listed above, specify:

Not Applicable

- C. List the full name, mailing address and telephone number of the management contact:

James Thomson, President  
Rio Verde Utilities, Inc.  
25609 N. Danny Lane, Suite 1  
Rio Verde, AZ 85263  
480-471-7247

- D. List the full name, mailing address and telephone number of the attorney for the Applicant:

Craig A. Marks  
Craig A. Marks, PLC  
10645 N. Tatum Blvd., Suite 200-676  
Phoenix, AZ 85028  
(480) 367-1956  
Craig.Marks@azbar.org

E. List the full name, mailing address and telephone number of the operator certified by the Arizona Department of Environmental Quality who is or will be working for the Applicant:

Michael L. Kleminski, General Manager  
Rio Verde Utilities, Inc.  
25609 N. Danny Lane, Suite 1  
Rio Verde, AZ 85263  
480-471-7247

F. List the full name, mailing address and telephone number of the on-site manager of the utility:

Michael L. Kleminski, General Manager  
Rio Verde Utilities, Inc.  
25609 N. Danny Lane, Suite 1  
Rio Verde, AZ 85263  
480-471-7247

G. The Applicant is a:

<input checked="" type="checkbox"/> Corporation:	<input type="checkbox"/> Partnership
<input checked="" type="checkbox"/> "C", <input type="checkbox"/> "S", <input type="checkbox"/> Non-Profit	<input type="checkbox"/> Limited, <input type="checkbox"/> General
<input checked="" type="checkbox"/> Arizona, <input type="checkbox"/> Foreign	<input type="checkbox"/> Arizona, <input type="checkbox"/> Foreign
<input type="checkbox"/> Sole Proprietorship	<input type="checkbox"/> Limited Liability Company (LLC)
<input type="checkbox"/> Other (Specify)	

H. If Applicant is a corporation:

1. List full names, titles and mailing addresses of all Officers and Directors:

**Officers**

John W. Mooty, Chairman  
80 S Eighth St.  
Minneapolis, MN 55402

James Thomson, President  
Rio Verde Utilities, Inc.  
25609 N. Danny Lane, Suite 1  
Rio Verde, AZ 85263

**Directors**

John W. Mooty, Chairman  
80 S Eighth St.  
Minneapolis, MN 55402

2. Attach a copy of the corporation's "Certificate of Good Standing" issued by the Corporation's Division of the Arizona Corporation Commission.

See Attachment H

3. Attach a certified copy of the Articles of Incorporation.

Not Applicable – CC&N Extension

4. Attach a certified copy of the corporation's By-Laws.

Not Applicable – CC&N Extension

5. If a for-profit corporation, indicate the number of shares of stock authorized for issue:

10,000,000 shares authorized for issue.

6. If stock has been issued, indicate the number of shares issued and date of issue:

2,840,721 shares issued at various times.

- I. If the Applicant is a partnership:

This Section Not Applicable

- J. If the Applicant is a Limited Liability Company:

This Section Not Applicable

- K. List the legal name and mailing address of each other utility in which the applicant has an ownership interest:

None

- L. Attach a legal description of the requested service area, expressed in terms of CADASTRAL (quarter section description) or Metes and Bounds survey. References to

parcels and dockets will not be accepted.

See Attachment L

- M. List the name of each county in which the requested extension area is located and a description of the area's location in relation to the closest municipality, which shall be named:

The extension area is located in Maricopa County.

The extension area consists of portions of existing Rio Verde Unit Ten and Rio Verde Unit Eleven.

The extension area is located approximately 5.0 miles north of the Town of Fountain Hills (closest municipality) and approximately 5.5 miles east of the City of Scottsdale.

- N. Attach a complete description of the facilities proposed to be constructed, including a preliminary engineering report with specifications in sufficient detail to describe each water system and the principal components of each water system (e.g., source, storage, transmission lines, distribution lines, etc.) to allow verification of the estimated costs provided under R14-2-402 subsection (B)(5)(o) and verification that the requirements of the Commission and the Arizona Department of Environmental Quality can be met.

The area is within the current water service area of Rio Verde Utilities. No additional facilities are planned or necessary and a preliminary engineering report is not necessary.

- O. Provide the estimated total construction cost of the proposed offsite and onsite facilities, including documentation to support the estimates, and an explanation of how the construction will be financed, such as through debt, equity, advances in aid of construction, contributions in aid of construction, or a combination thereof.

The area is within the current water service area of Rio Verde Utilities. No additional facilities are planned or necessary.

- P. Provide documentation establishing the applicant's financial condition, including at least the applicant's current assets and liabilities, an income statement, the applicant's estimated revenue and expenses for the first five years following approval of the application, and the estimated value of the applicant's utility plant in service for the first five years following approval of the application

See Attachment P for the 2013 Audited Financial Statements for Rio Verde Utilities, Inc. Since the area is already served by Rio Verde Utilities, the Company will receive no additional revenues and incur no additional expenses. The Company will make no expenditures for plant in service.

- Q. Provide rates proposed to be charged.

Rio Verde Utilities, Inc. will charge its existing rates and charges per tariffs on file with the Commission.

- R. Provide the estimated annual operating revenues and expenses for the first five years of operation for the requested service area or extension area, expressed separately for residential, commercial, industrial, and irrigation services, and including a description of each assumption made to derive the estimates.

Since the area is already served by Rio Verde Utilities, the Company will receive no additional revenues and incur no additional expenses. The financial statements provided as Attachment P, provide the current level of operating revenues and expenses.

- S. Provide a detailed description of the proposed construction timeline for facilities with estimated starting and completion dates and, if construction is to be phased, a description of each separate phase of construction.

Construction of all facilities is complete.

- T. Provide a copy of any requests for service from persons who own land within the proposed extension area, which shall identify the applicant by name.

All landowners within the CC&N extension area are currently water customers of Rio Verde Utilities, Inc. and have previously requested service from Rio Verde Utilities, Inc.

- U. Provide maps of the proposed extension area identifying:

1. The boundaries of the area, with the total acreage noted;

See Maps U1 and U2.

2. The land ownership boundaries within the area, with the acreage of each separately owned parcel within the area noted;

See Map - U3, Sheet 1.

3. The owner of each parcel within the area;

See Map - U3, Sheet 2.

4. Any municipality corporate limits that overlap with or are within five miles of the area;

See Map - U1.

5. The service area of any public service corporation, municipality, or district currently

providing water or wastewater service within one mile of the area, with identification of the entity providing service and each type of service being provided;

The only water and sewer provider within one mile of the CC&N Extension Area is Rio Verde Utilities, Inc. See Map – U1.

6. The location within the area of any known water service connections that are already being provided service by the applicant;

See Map – U3. All parcels in the CC&N extension area currently receive water service from Rio Verde Utilities, Inc.

7. The location of all proposed developments within the area;

There are no proposed developments within the extension area. The extension area consists of portions of Rio Verde Units 10 and 11 that have been provided water service by Rio Verde Utilities, Inc. for many years.

8. The proposed location of each water system and the principal components described in R14-2-402 subsection (B) (5) (n);

There are no proposed facilities or water systems. The extension area consists of portions of Rio Verde Units 10 and 11 that have been provided water service by Rio Verde Utilities, Inc. for many years.

9. The location of all parcels for which a copy of a request for service has been submitted.

See Map – U3.

- V. Provide a copy of each notice to be sent, as required, to a municipal manager or administrator.

See Attachment V.

- W. A copy of each notice sent, as required, to a landowner not requesting service.

Not Applicable. All landowners within the CC&N Extension Area have requested service from Rio Verde Utilities, Inc. See Paragraph T, above.

- X. For each landowner not requesting service, provide either the written response received from the landowner or, if no written response was received, a description of the actions by the applicant to obtain a written response.

Not Applicable. All landowners within the CC&N Extension Area have requested service from Rio Verde Utilities, Inc. See Paragraph T, above.

- Y. Provide a copy of each city, county, or state agency approval required by law to construct

the proposed facilities or operate the utility within the proposed service area or extension area or, for any approval not yet obtained, the status of the applicant's application for the approval;

1. The franchise from either the City or County for the area requested.

Rio Verde Utilities, Inc. will apply for a franchise extension from Maricopa County.

2. The Arizona Department of Environmental Quality (or its designee's) approval to construct facilities.

Since no new facilities are required, no approvals are needed from the Arizona Department of Environmental Quality.

3. The Arizona State Land Department approval. (If you are including any State land in your requested area this approval is needed.)

Not Applicable

4. Any U.S. Forest Service approval. (If you are including any U.S. Forest Service land in your requested area this approval is needed.)

Not Applicable

Z. Indicate the estimated number of customers, by class, to be served in each of the first five years of operation. Include documentation to support the estimates.

**Residential:**

First Year 0 Second Year 0 Third Year 0 Fourth Year 0 Fifth Year 0

There are 52 residential lots either completely or partially within the extension area that currently receive water service.

**Commercial:**

First Year 0 Second Year 0 Third Year 0 Fourth Year 0 Fifth Year 0

**Industrial:**

First Year 0 Second Year 0 Third Year 0 Fourth Year 0 Fifth Year 0

**Irrigation:**

First Year 0 Second Year 0 Third Year 0 Fourth Year 0 Fifth Year 0

AA. Provide a description of how wastewater service is to be provided in the proposed service area or extension area and the name of each wastewater service provider for the area, if any;

Rio Verde Utilities, Inc. is already the certificated sewer provider for the CC&N extension area and provides sewer service to all parcels within the CC&N extension area.

- BB. Provide a letter from each wastewater service provider identified confirming the provision of wastewater service for the proposed service area or extension area;

Not Applicable. Rio Verde Utilities, Inc. is the wastewater service provider.

- CC. Provide plans for or a description of water conservation measures to be implemented in the proposed service area or extension area, including, at a minimum:

- i. A description of the information about water conservation or water saving measures that the utility will provide to the public and its customers;

Rio Verde Utilities, Inc. has implemented a Public Education Program in accordance with the Modified Non-Per Capita Conservation Program required by ADWR. Typical education measures include:

Each new account is given a conservation information packet.

A billing insert to customers discussing water conservation efforts available for both inside and outside of customer homes.

Email to customers discussing water conservation and providing water conservation information and ideas for preparing homes for cold weather conditions.

Distribution through Rio Verde Homeowners Assn. of conservation information flyers.

Presentations to Rio Verde Homeowners Assn. regarding conservation efforts.

Water conservation literature is made available at Rio Verde Utilities office, Rio Verde Homeowners Assn. office and the Rio Verde library.

- ii. A description of how the applicant will work with each wastewater service provider identified under subsection (B)(5)(aa) to encourage water conservation;

Rio Verde Utilities, Inc. is an integrated water and sewer provider.

- iii. A description of the sources of water that will be used to supply parks, recreation areas, golf courses, greenbelts, ornamental lakes, and other aesthetic water features;

The extension area does not contain any new parks, recreation areas, golf courses, greenbelts, ornamental lakes, and other aesthetic water features. Rio



Verde Utilities, Inc. utilizes a combination of groundwater and CAP water to meet current customer demands.

- iv. A description of any plans for the use of reclaimed water;

All reclaimed wastewater effluent is directly reused within Rio Verde.

- v. A description of any plans for the use of recharge facilities;

Rio Verde Utilities, Inc. does not currently recharge effluent since it is fully used directly.

- vi. A description of any plans for the use of surface water; and

Rio Verde Utilities, Inc. fully utilizes its CAP Water allotment through and exchange with SRP for Verde River water.

- vii. A description of any other plans or programs to promote water conservation;

None.

- DD. Provide a backflow prevention tariff that complies with Commission standards, if not already on file.

Rio Verde Utilities, Inc. has an approved backflow prevention tariff on file with the Commission.

- EE. Provide a curtailment tariff that complies with Commission standards, if not already on file.

Rio Verde Utilities, Inc. is filing concurrently with this application an Application for Approval of a Curtailment Tariff.

- FF. Provide a copy of a Physical Availability Determination, Analysis of Adequate Water Supply, or Analysis of Assured Water Supply issued by the Arizona Department of Water Resources for the proposed service area or extension area or, if not yet obtained, the status of the application for such approval;

Rio Verde Utilities has an approved Physical Availability Determination ("PAD"), issued by ADWR on October 27, 1992. The PAD is provided as Attachment FF.

Rio Verde Unit Ten and Rio Verde Unit Eleven were developed in the late '80s with Plats being recorded during a period in which Rio Verde Utilities, Inc. was deemed to have an assured water supply. Accordingly no additional assured water supply action is necessary. The water demand for Unit Ten and Unit Eleven are included in the PAD.

- GG. Provide a compliance status report from the Arizona Department of Environmental

Quality ("ADEQ"), dated no more than 30 days of the CC&N extension application, for each water system operated by the Applicant, as identified by a separate ADEQ Public Water & Wastewater System Identification number;

See Attachment GG-1.

Provide a water use data sheet for the water system being extended by the Applicant;

See Attachment GG-2.

HH. Notarized signature of the applicant.

*James Thomson*  
(Signature of Authorized Representative)

James Thomson  
(Type or Print Name Here)

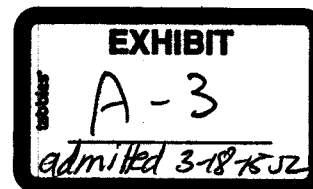
President  
(Title)

SUBSCRIBED AND SWORN to before me this 4 day of DECEMBER, 20 14

*Annette L. Ciotta*  
NOTARY PUBLIC

My Commission Expires JUNE 18, 2017





December 15, 2014

Mr. Kenneth W. Buchanan  
Town Manager  
Town of Fountain Hills  
16705 E. Avenue of the Fountains  
Fountain Hills, AZ 85268

**Notice Required Pursuant to R14-2-402.B.4**  
**Request for Certificate of Convenience and Necessity Extension**  
**Filed by Rio Verde Utilities, Inc.**

Pursuant to A.A.C. R14-2-402.B.4, Rio Verde Utilities, Inc. ("Rio Verde") is providing this notice that Rio Verde has made application to the Arizona Corporation Commission ("ACC") to extend its Certificate of Convenience and Necessity to provide water service to properties contiguous to its existing Certificate of Convenience and Necessity. None of the requested extension area is within the Town of Fountain Hills, but is within five miles of the Town's corporate limits. The specific notice requirements are as follows:

**Applicant Name, Mailing Address and Telephone Number**

Rio Verde Utilities, Inc.  
25609 N. Danny Lane, Suite 1  
Rio Verde, AZ 85263  
480-471-7247

**Date Application was Filed**

December 4, 2014

**Type of Service to be Provided**

Water Service

**A Description of Requested Service Area**

See Attachment L and Map – U1 from the Application to the ACC, attached.

**Commission Docket Number**

WS-02156A-14-0401

**Instructions on How to Obtain a Copy of Application**

The application is available for inspection during regular business hours at the offices of the Commission in Phoenix at 1200 West Washington Street, and at Rio Verde Utilities, Inc., 25609 N. Danny Lane, Suite 1, Rio Verde, AZ 85263. In addition, upon request, Rio Verde will provide a printed copy or electronic copy to the Town of Fountain Hills.

25609 N. Danny Lane, Suite 1 • Rio Verde, Arizona 85263-7139

Operations – (480) 471-2728 • Plant – (480) 471-2609 • Accounting – (480) 471-7247 • FAX – (480) 471-7636

**Legal Description  
Rio Verde Utilities, Inc.  
Water CC&N Extension**

That portion of Section 7, Township 4 North, Range 7 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona more particularly described as follows:

General Land Office Lots 2 and 3, except any portion lying south of the north right-of-way line of McDowell Mountain Road, being more particularly described as follows:

Commencing at the Northwest Corner of said Section 7;

THENCE South  $89^{\circ}55'51''$  East along the North line of said Section 7 a distance of 1,313.85 feet to the Northwest Corner of said Lot 3 and the TRUE POINT OF BEGINNING;

THENCE continuing South  $89^{\circ}55'51''$  East along the North line of said Section 7 a distance of 1,320.19 feet to the Northeast Corner of said Lot 3 which is also the Northwest Corner of said Lot 2;

THENCE continuing South  $89^{\circ}55'51''$  East along the North line of said Section 7 a distance of 1,320.00 feet to the Northeast Corner of said Lot 2;

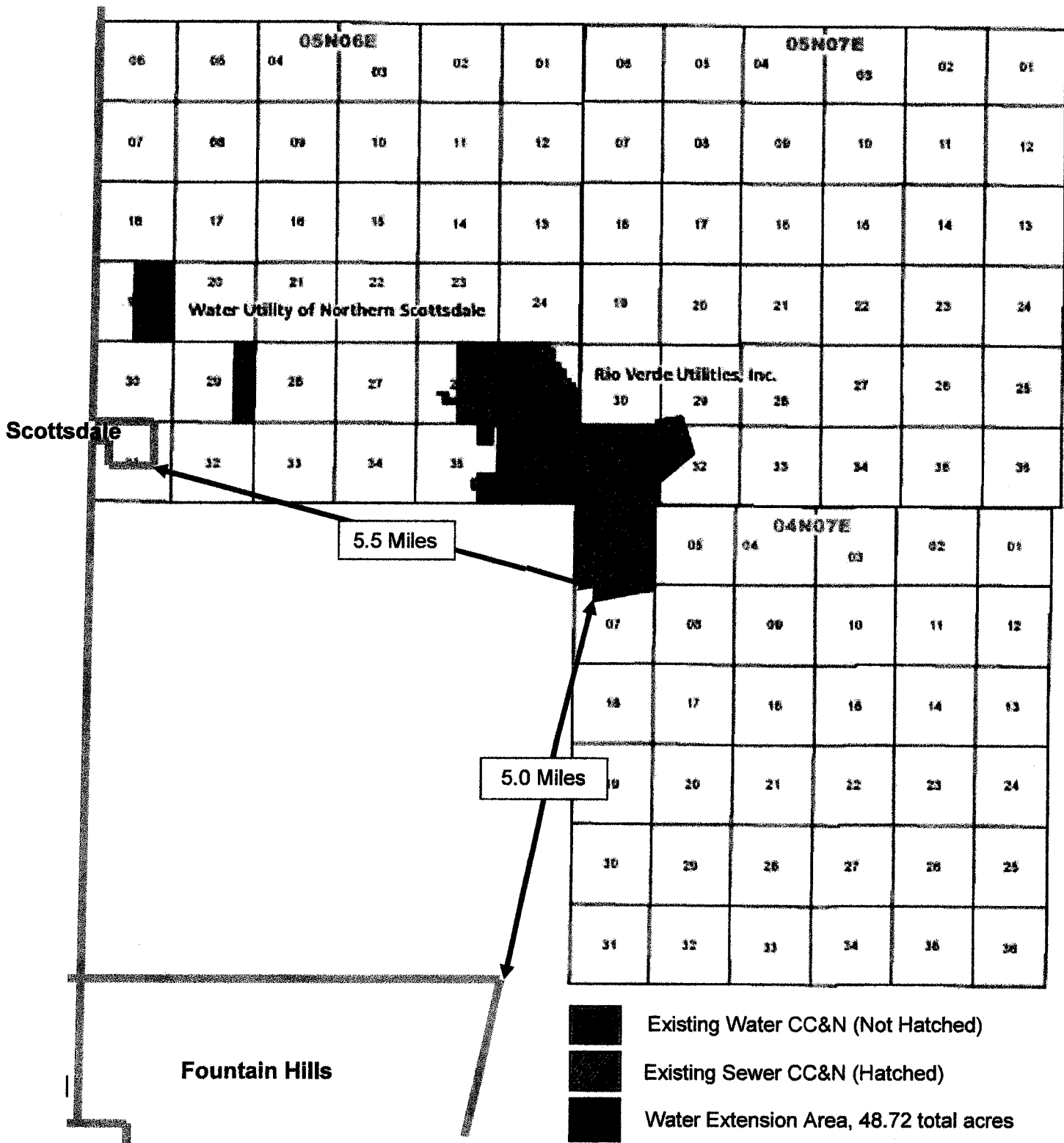
THENCE South  $00^{\circ}00'21''$  East along the East line of said Lot 2 a distance of 503.72 feet to a point on the northerly right-of-way line of McDowell Mountain Road;

THENCE South  $80^{\circ}15'23''$  West along the northerly right-of-way line of McDowell Mountain Road a distance of 459.36 feet;

THENCE South  $80^{\circ}27'24''$  West along the northerly right-of-way line of McDowell Mountain Road a distance of 1,390.58 feet;

THENCE South  $80^{\circ}28'45''$  West along the northerly right-of-way line of McDowell Mountain Road a distance of 827.22 feet to a point on the West line of said Lot 3;

THENCE North  $00^{\circ}01'13''$  East along the West line of said Lot 3 a distance of 951.76 feet to the Northwest Corner of said Lot 3, the Point of Beginning.



DOUGLAS A. DUCEY  
Governor

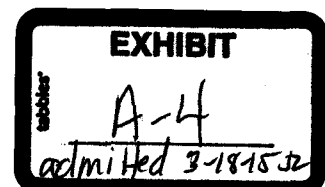


MICHAEL J. LACEY  
Director

ARIZONA DEPARTMENT of WATER RESOURCES  
3550 North Central Avenue, Second Floor  
Phoenix, Arizona 85012-2105  
602.771.8500  
azwater.gov

### Water Provider Compliance Report

Water System Name: Rio Verde Utilities		Water System ID No: 56-002035.0000		
Report Requested By: Jian Liu		Report Completed By: Ryan Jackisch		
Report Request Date: 1/20/15		Report Complete Date: 1/20/15		
Compliance Requirement	Compliance Determination			
	Compliant	Non-Compliant	Undetermined	Not Applicable
<b>Assured/Adequate Water Supply Program</b>				
1. Designation of assured or adequate water supply in good standing				X
2. Annual Report filed on-time				X
<b>Community Water Systems Program</b>				
1. Annual Report filed on-time (outside AMAs)				X
2. System Water Plan filed on-time	X			
<b>Active Management Areas (AMAs)</b>				
1. Annual Report filed on-time	X			
2. Annual Report filed on-time for INAs (non-exempt wells only)				X
3. Management Plan Requirements				
a. Lost and Unaccounted for Water <10% of total use for large providers	X			
b. Lost and Unaccounted for Water <15% of total use for small providers				
c. Annual submission of service area distribution maps	X			
d. ACP requirements are met				X
e. GPCD Program requirements are met		X		
f. NPCCP requirements are met				
g. MNPCCP requirements are met	X			X
h. Individual User requirements are met				X
4. Permitted well volumes	X			
5. Type I and Type II Non-IGFR withdrawal authority				X
6. Maintenance of approved/accurate measuring devices (INAs also)	X			
7. Groundwater transportation restrictions				X
8. Groundwater deliveries to other AMA water providers				X



**ADWR Compliance Determination**

       The Arizona Department of Water Resources, as of the report completion date, has determined that this water system is currently **compliant** with departmental requirements governing water providers and/or community water systems.

  X   The Arizona Department of Water Resources, as of the report completion date, has determined that this water system is currently **non-compliant** with departmental requirements governing water providers and/or community water systems.

**Additional Notes:**

If you have any additional questions or concerns regarding the compliance status of this water system please contact ADWR at (602) 771-8585.



0000160340

RECEIVED

2015 FEB 26 A 11:45

AZ CORP COMMISSION  
DOCKET CONTROL

February 19, 2015

Docket Control  
Arizona Corporation Control  
1200 West Washington Street  
Phoenix, Arizona 85007

ORIGINAL

Re: Docket No. WS-02156A-14-0401  
Affidavit of Mailing  
Rio Verde Utilities, Inc.

To Whom It May Concern:

Enclosed for filing are an original and 13 copies of Affidavit of Mailing and Proof of Publication.

Sincerely,

James Thomson  
President

Arizona Corporation Commission  
DOCKETED

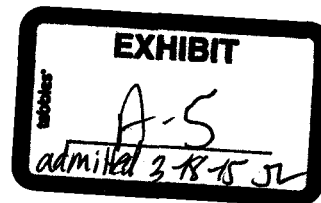
FEB 26 2015

Enclosure

DOCKETED BY

Original and 13 copies filed  
By US Mail on February 20, 2015 with:

Docket Control  
Arizona Corporation Control  
1200 West Washington Street  
Phoenix, Arizona 85007





BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

SUSAN BITTER SMITH, Chairman  
BOB STUMP  
ROBERT BURNS  
DOUG LITTLE  
TOM FORESE

RECEIVED

2015 FEB 26 A 11:45

AZ CORP COMMISSION  
DOCKET CONTROL  
DOCKET NO. 2015-02150A-14-0401

IN THE MATTER OF THE APPLICATION OF  
RIO VERDE UTILITIES, INC., TO EXTEND ITS  
CERTIFICATE OF CONVENIENCE AND  
NECESSITY FOR WATER SERVICE TO SERVE  
PORTIONS OF RIO VERDE UNITS TEN AND  
ELEVEN.

AFFIDAVIT OF MAILING

1. My name is Michael Kleminski.
2. I am the General Manager of Rio Verde Utilities, Inc. ("Rio Verde").
3. My business address is 25609 N Danny Lane, Rio Verde, AZ 85263, and my business phone is (480) 471-2728.
4. I caused to be prepared a mailing list of property owners affected by Rio Verde's application in the above-captioned docket.
5. I also caused a copy of the notice required in the above-captioned docket to be mailed to the property owners on the mailing list.
6. Exhibit A is a copy of the actual notice I caused to be mailed.
7. Exhibit B is a copy of the postal receipt for the notice mailing.
8. This completes my affidavit.

  
Michael Kleminski

STATE OF Arizona           )  
  ) ss.  
COUNTY of Maricopa       )

Subscribed and sworn before me on February 19, 2015.

  
Name: ANNETTE L CIOTTA

My Commission expires: JUNE 18, 2017



**IN THE MATTER OF THE APPLICATION OF RIO VERDE UTILITIES, INC.  
FOR APPROVAL TO EXTEND ITS CERTIFICATE OF CONVENIENCE  
AND NECESSITY FOR WATER SERVICE TO SERVE PORTIONS OF RIO VERDE  
UNITS TEN AND ELEVEN.**

**(DOCKET NO. WS-02156A-14-0401)**

**Summary**

On December 4, 2014, Rio Verde Utilities, Inc. ("Rio Verde") filed with the Arizona Corporation Commission ("Commission") an application for approval to extend its Certificate of Convenience and Necessity ("CC&N") to provide water utility service by adding approximately 48.72 acres in an area contiguous to Rio Verde's current CC&N service area and located approximately 5 miles north of Fountain Hills and 5.5 miles east of Scottsdale in Maricopa County. The CC&N extension area includes approximately 52 residential lots and is located entirely within the northern portion of Section 7, Township 4 North, Range 7 East of the Gila and Salt River Base and Meridian, Maricopa County. With the addition of the CC&N extension area, Rio Verde's water CC&N service area would become coterminous with Rio Verde's existing wastewater CC&N service area. Rio Verde has been providing water utility service to the property owners within the CC&N extension area for a number of years and only recently determined that the area had been excluded from its water CC&N service area. Rio Verde does not need any additional plant facilities to provide service and intends to continue charging its existing rates and charges in the CC&N extension area pursuant to its filed tariffs.

The Commission's Utilities Division ("Staff") is in the process of auditing and analyzing the application, and has not yet made any recommendations regarding Rio Verde's application. The Commission is not bound by the proposals made by Rio Verde, Staff, or any intervenors. The Commission will issue a Decision regarding the application following consideration of testimony and evidence presented at an evidentiary hearing.

**How You Can View or Obtain a Copy of the Application**

Copies of the application are available from Rio Verde Utilities' office at 25609 N Danny Lane and at the Commission's Docket Control Center at 1200 West Washington, Phoenix, Arizona, for public inspection during regular business hours, and on the Internet via the Commission's website ([www.azcc.gov](http://www.azcc.gov)) using the e-Docket function.

**Public Hearing Information**

The Commission will hold a hearing on this matter beginning **March 18, 2015, at 10:00 a.m.**, in Hearing Room No. 1, at the Commission's offices at 1200 West Washington Street, Phoenix, Arizona 85007. Public comments will be taken on the first day of hearing. Written public comments may be submitted at any time on the Commission's website ([www.azcc.gov](http://www.azcc.gov)) using the "Submit a Public Comment" button or by mailing a letter, referencing **Docket No. WS-02156A-14-0401**, to: Arizona Corporation Commission, Consumer Services Section, 1200 West Washington, Phoenix, AZ 85007. If you require assistance, you may contact the Consumer Services Section at 1-800-222-7000 or 602-542-4251.

Exhibit A

### **About Intervention**

Any person entitled by law to intervene and having a direct and substantial interest in the matter will be permitted to intervene. The granting of intervention entitles a person to participate as a party at hearing by presenting sworn evidence and cross-examining other party's witnesses. **If you wish to intervene, you must file an original and 13 copies of a written motion to intervene with the Commission's Docket Control Center no later than February 23, 2015, and send a copy of the motion to Rio Verde or its counsel and to all parties of record.** Contact information may be obtained using the Commission's e-Docket function.

Your motion to intervene must contain the following:

1. Your name, address, and telephone number, and the name, address, and telephone number of any person upon whom service of documents is to be made, if not yourself;
2. A short statement of your interest in the proceeding (e.g., a customer of Rio Verde, a shareholder of Rio Verde, a property owner in the proposed CC&N extension area, etc.);
3. A statement certifying that you have mailed a copy of the motion to intervene to Rio Verde or its counsel and to all parties of record in the case; and
4. If you are not represented by an attorney who is an active member of the Arizona State Bar, and you are not representing yourself as an individual, information and any appropriate documentation demonstrating compliance with Arizona Supreme Court Rules 31, 38, and 42, as applicable.

The granting of motions to intervene is governed by A.A.C. R14-3-105, except that **all motions to intervene must be filed on or before February 23, 2015.** If representation by counsel is required by Arizona Supreme Court Rule 31, intervention will be conditioned upon the intervenor obtaining counsel to represent the intervenor. A sample intervention request form is available at **<http://www.azcc.gov/divisions/utilities/forms/interven.pdf>**.

If you do not intervene, you will receive no further notice of the proceedings in this docket. **However, all documents filed in this docket are available online** (usually within 24 hours after docketing) at the Commission's website, [www.azcc.gov](http://www.azcc.gov), using the e-Docket function. RSS feeds are also available through e-Docket. **Failure to intervene will not preclude any interested person from appearing at the hearing and providing public comment or from filing written comments in the record of the case.**

### **ADA/Equal Access Information**

The Commission does not discriminate on the basis of disability in admission to its public meetings. Persons with a disability may request a reasonable accommodation such as a sign language interpreter, as well as request this document in an alternative format, by contacting the ADA Coordinator, Shaylin Bernal, E-mail [SAbernal@azcc.gov](mailto:SAbernal@azcc.gov), voice phone number 602-542-3931. Requests should be made as early as possible to allow time to arrange the accommodation.

# AFFIDAVIT OF PUBLICATION

## THE FOUNTAIN HILLS TIMES

P.O. Box 17869  
Fountain Hills, AZ 85269

Voice: (480) 837-1925  
Fax: (480) 837-1951

STATE OF ARIZONA  
COUNTY OF MARICOPA

L. ALAN CRUIKSHANK, being first duly sworn, upon oath deposes and says that he is the Publisher of *The Fountain Hills Times*, a newspaper of general circulation in the County of Maricopa and the State of Arizona, published at Fountain Hills, Arizona, and that the copy hereto attached is a true copy of the advertisement as published weekly in *The Fountain Hills Times* on the following dates:

02/04/15

PUBLISHER



L. ALAN CRUIKSHANK

SWORN TO BEFORE ME ON THIS 4<sup>TH</sup> DAY OF FEBRUARY, 2015.

NOTARY PUBLIC



KAREN KIRKENDOLL



**IN THE MATTER OF THE APPLICATION OF RIO VERDE UTILITIES, INC.  
FOR APPROVAL TO EXTEND ITS CERTIFICATE OF CONVENIENCE  
AND NECESSITY FOR WATER SERVICE TO SERVE PORTIONS OF RIO VERDE  
UNITS TEN AND ELEVEN.**

(DOCKET NO. WS-02156A-14-0401)

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\*\*\*\*\*

YOUR RECEIPT  
Thank You  
Call Again

\*\*\*\*\*

51X	@0.49
DEPT0001	24.99
ITEM CT	51
<b>TOTAL</b>	<b>24.99</b>
CASH TD	30.00
CHANGE	5.01

01-28-2015 12:09

0001 CLERK01 00009846

VI  
CCfN mailings

Exhibit B

CUSTOMER LABELS

PAUL HOFTO  
13771 N FOUNTAIN HILLS BLVD #114-107  
FOUNTAIN HILLS, AZ 85268

LAWRENCE INGRAM  
18735 E BUCKSKIN DR  
RIO VERDE, AZ 85263

LARRY POTTER  
18926 E MCDOWELL MTN DR  
RIO VERDE, AZ 85263

ANTHONY OUELLETTE  
18625 E MCDOWELL MTN DR  
RIO VERDE, AZ 85263

SCOTT JORDAN  
118 VIA MEDICI  
APTOS, CA 95003

DAVID BAKKE  
24810 N POMMEL DR  
RIO VERDE, AZ 85263

AL& MARGARET CUMMING  
18617 E MCDOWELL MTN DR  
RIO VERDE, AZ 85263

DAVID C WALTERS  
18923 E VIA HERMOSA  
RIO VERDE, AZ 85263

JIM NEWGARD  
24828 N VADO COURT  
RIO VERDE, AZ 85263

EB SCHEUING  
18803 E MESCALERO DR  
RIO VERDE, AZ 85263

RANDY ERICKSON  
8 EVERGREEN LANE  
NORTH OAKS, MN 55127

ROSEMARIE BRANDORFF  
4567 EL DORADO WAY #217  
BELLINGHAM, WA 98226

FRITZ E DRILL  
18826 E BUCKSKIN DR  
RIO VERDE, AZ 85263

THEODORE SWIFT  
18708 E BUCKSKIN DR  
RIO VERDE, AZ 85263

ROBERT E MALONE  
18721 E BUCKSKIN DR  
RIO VERDE, AZ 85263

NORMAN RUDER  
BOX 658  
HAYS, KS 67601

DOROTHY GAY  
18748 E MCDOWELL MTN DR  
RIO VERDE, AZ 85263

JEANNETTE MCDONALD  
18810 MCDOWELL MTN DR  
RIO VERDE, AZ 85263

V A ROCCHIO  
24833 N VADO COURT  
RIO VERDE, AZ 85263

RICHARD E BERG  
24817 N VADO COURT  
RIO VERDE, AZ 85263

CHARLES KNIGHTON  
24801 N VADO COURT  
RIO VERDE, AZ 85263

CAROL BREWER  
18641 E MCDOWELL MTN DR  
RIO VERDE, AZ 85263

NICK NECKOPULOS  
18633 E MCDOWELL MTN DR  
RIO VERDE, AZ 85263

TOM DOUGHERTY  
24802 N VADO CT  
RIO VERDE, AZ 85263

BOB ENGELSTAD  
24818 N VADO COURT  
RIO VERDE, AZ 85263

ALLEN MEYER  
24836 N VADO COURT  
RIO VERDE, AZ 85263

ROBERT BENZINGER  
18714 E BUCKSKIN DR  
RIO VERDE, AZ 85263

KEN MALLORY  
18702 BUCKSKIN DR  
RIO VERDE, AZ 85263

JAMES R EVERITT  
18712 E MCDOWELL MTN DR  
RIO VERDE, AZ 85263

DAVID SCHAENEN  
2627 FOREST MEADOW LN  
BILLINGS, MT 59102

CUSTOMER LABELS

DON JOHNSON  
18822 E MCDOWELL MTN DR  
RIO VERDE, AZ 85263

BOB RICHMOND  
2111 NORTHRIDGE NE  
GRAND RAPIDS, MI 49505

LARRY NOBLE  
P.O. BOX 458  
CHESTERLAND, OH 44026

WILFRED E BELANGER  
24810 N VADO COURT  
RIO VERDE, AZ 85263

GORDON ALLISON  
18745 E MESCALERO DR  
RIO VERDE, AZ 85263

LARRY DOYLE  
4555 E MAYO BLVD  
#42201  
PHOENIX, AZ 85050-3791

RVCA  
18816 FOUR PEAKS BLVD  
RIO VERDE, AZ 85263

CAROL G NELSON  
1340 EDINBURGH PL NE  
OWATONNA, MN 55060-2173

NORINE AHMANN  
18834 E MCDOWELL MTN DR  
RIO VERDE, AZ 85263

DONALD GREENLEE  
18810 E MESCALERO DR  
RIO VERDE, AZ 85263

BILL CARTWRIGHT  
18701 E BUCKSKIN DR  
RIO VERDE, AZ 85263

JOEL DAVIDSEN  
18733 E MESCALERO  
RIO VERDE, AZ 85263

DALE LEWIS  
18931 E VIA HERMOSA  
RIO VERDE, AZ 85263

CECIL MISKEL  
24801 N POMMEL DR  
RIO VERDE, AZ 85263

DAVID WILKIE  
18649 E MCDOWELL MTN DR  
RIO VERDE, AZ 85263

MARY FOUNDS  
4922 STONEHAVEN DR  
COLUMBUS, OH 43220

JOHN NOVASIO  
24813 N POMMEL DR  
RIO VERDE, AZ 85263

KATHERINE FRIDOVICH  
18810 E BUCKSKIN DR  
RIO VERDE, AZ 85263

JOHN LEAVITT  
18818 E BUCKSKIN DR  
RIO VERDE, AZ 85263

RJ SCHAEFER  
18914 E MCDOWELL MOUNTAIN DR  
RIO VERDE, AZ 85263

DAVE NESS  
18811 E MESCALERO DR  
RIO VERDE, AZ 85263

DUANE MISCHKE  
24809 N VADO COURT  
RIO VERDE, AZ 85263